Telling their story, through their eyes -the lived experiences of social entrepreneurs in South Africa

Chipo Nyamanhindi

13414730

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Abstract

This study gives a rich and detailed account of the lived experiences of social entrepreneurs in Gauteng, South Africa. The research seeks to give a better understanding of their day-to-day experiences in their journeys as social entrepreneurs. The paper also sheds light into their motivations, the key resources needed to start the enterprise, the types of support and benefits received and the challenges faced to date.

A qualitative research approach was used to gather data through face-to-face in-depth interviews. Judgement and purposive sampling techniques were used to select twelve respondents for the research. Findings of the research show that social entrepreneurs are motivated by a social objective and that this takes precedence over personal wealth creation. Social entrepreneurs need both tangible and intangible resources to begin a social enterprise. Although financial capital is imperative, this does not hinder the social entrepreneur from addressing the identified social need. Social entrepreneurs often receive support from different sources, such as the community and family. A common challenge faced is the inability to balance the double bottom line comprising of social impact and financial sustainability. Despite the challenges faced, these social entrepreneurs are persistent in making a difference. They are often celebrated by their communities, family members, and, most importantly, the beneficiaries for the positive impact they have made.

Keywords

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Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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C. Nyamanhindi   29 January 2014

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I returned, and saw under the sun, that the race is not to the swift, nor the battle to the strong, neither yet bread to the wise, nor yet riches to men of understanding, nor yet favour to men of skill; but time and chance happeneth to them all.

Ecclesiastes 9-11.

Firstly, I would like to thank God Almighty for the opportunity; His grace and mercy that carried through the entire MBA and this research project.

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At the end of our lives we all ASK 'Did I live; did I love? And did I matter?'
Brendon Burchard

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Chapter 1: PROBLEM DEFINITION & PURPOSE

1.1   Introduction and background

Over the years, socially conscious individuals have been the source of some of the most remarkable and sustainable change that has addressed many social ills. These individuals are often referred to as social entrepreneurs. They often come up with innovative solutions to pressing needs on the society. According to Makhlouf (2011), "Social entrepreneurship is not new but has gained greater visibility and recognition in recent years due to its growing worldwide impact." This has seen the publication of many inspiring stories of social entrepreneurial ventures that have appeared in print media, are circulated in numerous conferences, and have received recognition by various associations and funding agencies.

The increased interest in social entrepreneurship stems from their perceived advantages over government—in efficient delivery of services; over conventional business—on trust, accountability, and purpose; and over charities and non-governmental organisations (NGOs). According to Demirdjian (2007), "The new kid on the block is called social entrepreneurship (SE) who has a big heart and a bright future for "midwifing" of essentials needed by the have-nots of society. The concept of social entrepreneurship centers on the "win-win" strategy of doing well financially while doing "good" for society. SE has been accepted as being beneficial in reducing hunger and poverty, promoting good governance, advancing sustainable development, while creating wealth for investors." The stories told often highlight how social entrepreneurs have led meaningful change in their communities. However, despite the vast amount of anecdotal information, there is a growing lack of information and data describing the lived experiences of the actual social entrepreneurs.

Noruzi, Westover & Rahimi (2010) explained that "social entrepreneurship by itself shows up frequently in the media, is referenced by public officials, has become a common topic of discussion on university campuses, and informs the strategy of several prominent social sector organizations". South Africa has shown interest in this not only from a practice point of view but also from a policy and legislation perspective. According to Urban (2008), "The contribution of social entrepreneurs is being increasingly celebrated, as was witnessed at the World Economic Forum's (2006)

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Conference on Africa in Cape Town recently." Such recognition has placed social entrepreneurship in mainstream discussions. These discussions have also resulted in the realisation of the need to encourage and stimulate social entrepreneurship and to create an enabling environment for such initiatives to grow beyond the survival state and be strong and active participants in the economy.

The activities of social entrepreneurs often have a significant influence on the lives of people across the world. Social entrepreneurs are not only important to the development and progress of least developed and emerging countries, but are also essential to societal progress of developed economies. However, despite their growing interest and celebrated successes, the lived experiences of these social entrepreneurs remain largely a mystery. Furthermore, despite the vast amount of information available on what, the question of whom these social entrepreneurs are in South Africa remains unanswered.

This study aims to give face and voice to some social entrepreneurs in South Africa and to give us a more personal yet better understanding into experiences of these individuals on a day-to-day basis, who they are, what motivates them, and, to some degree, what they need. The connection between the lived experiences of social entrepreneurs and creating an enabling environment in South Africa is imperative to shedding light on policy and legislation to support these social enterprises. The study also, to some extent, amplifies the actual differences being made by these ordinary South Africans. The need for such a contribution to existing theory and practice is particularly pressing in South Africa, so this study also aims to offer a greater understanding of social entrepreneurship specific to the current South Africa context.

1.2   Research scope

The scope of the research is described by the definitions of some relevant terms cited below.

Social Entrepreneurship: Despite numerous possible definitions of this term, the definition of Austin, Stevenson, & Wei-Killern (2006) will be used for the purpose of this research: "Social entrepreneurship refers to innovative activity with a social objective in either for-profit sector, such as social purpose ventures or corporate social

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entrepreneurship, or in the non-profit sectors, or across sectors, such as hybrid structural forms which mix for-profit and non-profit approaches,"

In addition to the definition cited above, the research scope will also be determined by defining the characteristics and manner in which social entrepreneurs manage the resources around them to deliver innovative solutions to their communities. According to Dees (1998), "Social entrepreneurs play a role of change agents in the social sector by adopting a social Mission to create and sustain social value (not just private value), recognizing and relentlessly pursuing new opportunities to serve that mission, engaging in a process of continuous innovation, adaptation, and learning, acting boldly without being limited by resources currently in hand, and exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created."

Finally, the research scope will also be defined through the consideration that social entrepreneurs often have to balance a double bottom line. According to a conference held by the International Labour Organisation (ILO) in 2009, "[a] social enterprise's primary objective is to address social problems through a financially sustainable business model where surpluses (if any) are mainly reinvested for that purpose." This paper will therefore look at various social entrepreneurs who are currently change agents and the driving forces behind sustainable social innovation.

1.3   Research motivation

The motivation of this research is driven primarily by its relevance to South Africa. The need for socially driven businesses that are financially sustainable and consistent in their endeavour to empower each citizen is imperative. From a glance into the socio-economic issues facing South Africa, it is evident that this two-pronged approach presented by social entrepreneurship is pivotal to addressing many of the socio-economic frustrations of the common citizen.

In addition to this, the challenge for most social entrepreneurs is to raise more awareness and support, mainly because of the lack of understanding and credibility of the field in general. The data presented in this research therefore provides a good platform into understanding the lived experiences of social entrepreneurs in South Africa, displaying truly authentic local stories. Finally, the need to encourage social

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entrepreneurship is vital to the social and economic development of South Africa, offering a more sustainable change.

1.4   Research problem

Despite the growing interest in social entrepreneurship in South Africa, research has not clearly shed light on the lived experiences of social entrepreneurs. Of interest in the South African context is lack of proper support structures for social enterprises. According to internal research conducted by Bridget Fury for Tshikululu Social Investments (date), "There is no existing South African policy on social enterprise, nor is there a legal definition." The complication is that, without a definition, it is difficult to address the challenges faced by social entrepreneurs. This study will therefore attempt to gain a deeper understanding of:

- What motivates social entrepreneurs?
- What resources and skills are needed to start a social enterprise?
- What kind of support is needed by the social entrepreneur?
- What are the key challenges faced by social entrepreneurs?
- What are the benefits of being a social entrepreneur?

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Chapter 2: THEORY & LITERATURE REVIEW

2.1   Introduction

Social entrepreneurship is relatively a new field of interest, however scholars, researchers, practitioners, and business schools around the world are giving it increased attention. The following literature study is focused primarily on the subject discipline of social entrepreneurship, with particular attention on the experiences of the social entrepreneur. The aim of this chapter is to get an understanding, based on existing literature, of what motivates social entrepreneurs, what skills, knowledge and resources are required to start a social enterprise, and what the challenges and benefits of social entrepreneurship are.

In South Africa, social entrepreneurship remains under-researched. According to Jeffs (2006), "Social entrepreneurs provide solutions to social, employment and economic problems where traditional market or public approaches fail." Although government acknowledges the existence of social enterprises, there has been minimal effort made to provide direct support for social entrepreneurs. Most of the social enterprises that exist today have survived without the direct input from government. These social enterprises continue to find innovative ways to address multiple social ills that plague South African communities. Urban (2008) states that "[y]et despite these achievements, government in South Africa appears reluctant to directly engage with social entrepreneurs' endeavours, viewing social entrepreneurs as innately risky – and their activities as maverick endeavours." This has resulted in a lack of adequate support for social enterprises, particularly from a legislative point of view.

Due to the various definitions of social entrepreneurship that exist, it is imperative to base the research on one definition. For the purpose of this study, we therefore acknowledge a definition by Austin et al. (2006) which states that "[s]ocial entrepreneurship refers to innovative activity with a social objective in either for-profit sector, such as social purpose ventures or corporate social entrepreneurship, or in the non-profit sectors or across sectors, such as hybrid structural forms which mix for-profit and non-profit approaches." This definition outlines key aspects in understanding social entrepreneurship, such as the motive and structure adopted by the social entrepreneur in pursuing the achievement of the social objective.

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It is important to note that social entrepreneurs often use common business principles to deliver social value. Rajendhiran & Silambarasan (2012) postulated that "Social Entrepreneurship seeks to harness the practical dynamism of the successful businessman to enrich and help society, especially in countries where the individual is beset with problems of dire poverty and lack of opportunity." Social entrepreneurs have a different approach to social problems and seek long-term sustainability through powerful and productive linkages between the business, government, and the community. To do this, social entrepreneurs often create hybrid enterprises that are focused on including all these multiple stakeholders yet prioritising the social mission and objective.

In a seminal work on social entrepreneurship, Dees (1998) describes social entrepreneurs as people who "play a role of change agents in the social sector by adopting a social mission to create and sustain social value (not just private value), recognizing and relentlessly pursuing new opportunities to serve that mission, engaging in a process of continuous innovation, adaptation, and learning, acting boldly without being limited by resources currently in hand, and exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created." Social entrepreneurs are often limited by the resources needed but find means to address the social need. This makes social entrepreneurs persistent and innovative in their approach.

Weerawardena & Sullivan (2006) describe "social entrepreneurship as a multidimensional construct involving the expression of entrepreneurially virtuous behaviour to achieve the social mission, a coherent unity of purpose and action in the face of moral complexity, the ability to recognise social value-creating opportunities and key decision-making characteristics of innovativeness, proactiveness and risk-taking". This definition acknowledges the similarity between social entrepreneurship and entrepreneurship particularly in behaviour.

Rajendhiran & Silambarasan (2012) noted further that "[i]n spite of the varying definitions of social entrepreneurship, one commonality emerges in almost every description: the 'problem-solving nature' of social entrepreneurship is prominent, and

the corresponding emphasis on developing and implementing initiatives that produce measurable results in the form of changed social outcomes and/or impacts".

Based on the definitions and descriptions cited above, social entrepreneurs therefore seek to deliver social value to the communities they serve.

Despite the many definitions and the attractiveness of social entrepreneurship over the years, it is important to understand what true social entrepreneurship is in practice. Martin & Osberg (2007) have suggested that three main components are the basis for true social entrepreneurship, namely that, firstly, "an existing imbalance subjugates an impoverished segment of the population. Secondly, someone notices the imbalance and uses creativity and action to help. Thirdly, a new balance develops and life is better for the formerly impoverished group as well as, often, society as a whole." This framework helps shape our understanding of the practice of true social entrepreneurship and is also instrumental in the selection of respondents for this particular study.

Within the definition of social entrepreneurship, questions are frequently asked regarding its difference from NGOs. In building a construct to understanding social entrepreneurship, we need to appreciate that social enterprises differ from NGOs because they not only seek sustainable solutions to societal problems. The study of Rajendhiran & Silambarasan (2012) indicated that social entrepreneurs have moved away from the charitable and well-known philanthropic approaches, in order to find more sustainable solutions to social problems. This has led to a consequent shift in our understanding of social entrepreneurship and resulted in a greater appreciation for this approach in general.

2.2   What motivates social entrepreneurs?

According to Peredo & McLean (2006), "most of those who use the term social entrepreneur will extend the range of its use to include individuals or groups who are chiefly motivated by the wish to produce social benefits." Based on the definition above, social entrepreneurs are people that are primarily driven by a social mission. Social entrepreneurs often seek to maximise social impact over personal wealth creation. According to social entrepreneurship scholar Dees (1998), "for social entrepreneurs, the social mission is explicit and central. Mission-related impact

becomes the central criterion, not wealth creation." The motivation to produce these social benefits often overrides any personal goals and ambitions.

Holt (2012) noted that "[t]he existence of 'necessity-driven' social entrepreneurs could create issues around motivation that will differ from social entrepreneurs situated in the formal economy." This brings an interesting aspect to the fore: the existence of different types of social entrepreneurs. 'Necessity-driven entrepreneurs' describes those that embarked on the social entrepreneurship journey because of the pressing need, as they witnessed it within their immediate surroundings. 'Formal entrepreneurs' refers to those registered through affiliate institutions (such as Ashoka (www.ashoka.org), philanthropists, and community development practitioners. These entrepreneurs often follow a more structured approach and have a personal ambition to make a difference in the lives of those that are under-privileged or less fortunate. With both types of social entrepreneurs, the main objective is to meet a social objective. The experiences of each type of social entrepreneur differ based on their context of operation.

Social entrepreneurs are also motivated by personal life experiences. Guclu, Dees, & Anderson (2002) found that "[p]ersonal experience often motivates, inspires, or informs the idea generation process. Not surprisingly, many successful new venture ideas arise from the entrepreneur's education, work experience, and hobbies." These experiences are often negative and become a defining moment within the life of the social entrepreneur. A study by Karanda & Tolendano (2012) found that entrepreneurs often use their experiences to define new ways of operating. This has often led to the founding of the enterprise because the social entrepreneur views this experience as common and as an area that needs to be addressed. According to the ILO (2011), "many people who become involved in community activities or try to improve the world they live in feel compelled to do so because of their own experiences. Many non-profit organisations have their origin in the personal trauma and hardship of the founding members. This is also true of social entrepreneurs who focus their careers on changing circumstances that they are familiar with." These personal experiences act as a motivation for the social entrepreneur and result in the creation of a structure to address this social problem.

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2.3   How did the social entrepreneur start the venture?

Once the social entrepreneur has identified the social need and set up a social enterprise to address a problem, resources are needed to kick-start the enterprise operations. Brooks (2008) has indicated that "[s]ocial enterprises are reliant on three main resources. First these are financial need. These resources come from earned revenues, philanthropy and governments. The latter two are especially important at this early stage because, typically, a social enterprise has nothing to sell. Second there are human resources. These come in the form of donated and paid resources. The volunteer resources are often at the level of staff or leadership—often board of directors…Third there are human capital resources. This refers to education, experience, knowledge and expertise to make the enterprise operational and competent." As cited by Brooks above, 'resources' refer to all tangible and intangible means that are required to successfully operate the enterprise. Tangible resources mainly include capital, location, and basic business assets. Intangible resources consist of knowledge, skills, reputation, and entrepreneurial orientation.

Financial resources are imperative to the start of the enterprise: these often come from different sources, mainly donations and government. Some entrepreneurs also use their own personal financial resources to kick-start the operations, particularly if the social need is pressing and minimal financial capital is required. The social entrepreneur's past experience either in formal employment or entrepreneurship is also important because all the skills and knowledge acquired will be used to initiate and manage the enterprise.

According to Griffiths, Gundry & Kuckul (2013), "Social entrepreneurial firms exist within environments that are often severely resource-constrained. Therefore, social entrepreneurs may rely on a unique set of strategies to mobilize resources available to them, such as collaboration with others and accessing social capital to generate value solutions for their communities." This is true for most social enterprises because they are primarily focused on achieving maximum social impact and not generating profit. They consequently often operate with minimal resources to survive. This means that social entrepreneurs have to rely on their soft skills and past experience to attain and effectively manage the day-to-day resources of the enterprise.

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Social entrepreneurs are often forced to operate in extremely resource-constrained environments. This requires their skills to manage these resources to deliver maximum social impact. Zahra, Gedajlovic, Neubaum, & Shulman (2009) noted that "[in]n fact, one of the greatest skills of many social entrepreneurs is their ability to inspire, marshal and mobilize the efforts of commercial and non-commercial partners, donors, volunteers and employees in the pursuit of social wealth." Building meaningful relationships is therefore often crucial for the success of the social enterprise.

2.4 What kind of support did the social entrepreneur teceive?

Due to the nature of the work of a social entrepreneur, support is important in the survival of the enterprise. Various types of support are needed to start and run the enterprise on a daily basis. The sources of support can either be personal, external or internal from within the enterprise. Lajovic (2012) found that "[t[he most influential factors in the system of support for social economy are state, local communities and employers - commercial and non-profit organizations and networks of professional and non-profit institutions, non-governmental organizations." The state and communities are central sources of support for the social entrepreneur. The state often supports the social entrepreneur through ensuring favourable macro and micro environments to register and operate on a daily basis. Communities often support the social entrepreneurs in multiple ways, such as providing structure, access to beneficiaries, and other support in kind for the achievement of the social objective.

In a South African context, Karanda & Tolendano (2012) concluded that "[d]espite the rapid expansion of the non-state sector, the success in social enterprise initiatives has remained constrained due to a number of macroeconomic and structural factors that need reform by the state." To be able to provide the much-needed support for the social entrepreneurs, fundamental and structural changes need to be made by governments. The overall macro and micro environment is important in creating an enabling environment for social entrepreneurs. Because the challenges faced by social entrepreneurs are often statutory, the government needs to make a concerted effort to address this.

Communities are also important in supporting the work of the social entrepreneur. This support can be in cash or kind. Additional institutions supporting social

entrepreneurship are needed. Such institutions can be a direct effort of government or organised through corporate businesses. This kind of support for social entrepreneurs in South Africa has been minimal. Fox & Wessels (2010) recognised that "existing business development services (BDS) had not traditionally focused on providing tailored services for social enterprises in South Africa." It is critical to understand that social entrepreneurs require a unique set of support services that are often different to those that support traditional entrepreneurs.

2.5 What have been the key challenges and opportunities during the start-up experience?

Social entrepreneurs across the world face a myriad of challenges. These are sometimes similar to those faced by traditional entrepreneurs, as explained by Tracey & Phillips (2007): "Social entrepreneurs … encounter the same challenges as more traditional entrepreneurs—opportunity recognition, the marshalling of resources, and the creation of the new venture with the added complexity of defining, building support for, and achieving social outcomes. As a result, it is a particularly demanding form of entrepreneurial activity." Social entrepreneurs therefore often face the same challenges with the additional need to meet the social objective of the enterprise. Social entrepreneurs consequently often find it difficult to gather support for their work because their mission is often misunderstood. Most of the challenges involve the day-to-day management of the enterprise, such as managing volunteers, employees, financial resources, beneficiaries, and stakeholders.

Another challenge cited by researchers such as Tracey & Phillips (2007) is the need to balance both social and commercial objectives of the enterprise. This often creates tension in the enterprise as these are not always complimentary. Most social entrepreneurs are faced with the challenge of achieving maximum social impact and proving sound financial investment. One of the main reasons for this is because social enterprises often engage in a series of unrelated activities that become difficult to measure and predict, especially in financial terms.

Social entrepreneurs face several additional challenges, such as financial capital and limited knowledge of or access to lending institutions. A 2010 ILO study of the factors

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influencing an enabling environment in South Africa cited challenges facing social enterprises as including:

- Inadequate capital for start-up and for expansion;
- Inaccessibility of the relevant financial products;
- The enterprise's limited knowledge and understanding of how the lending market works;
- Inability to comply with minimum financing requirements due to inadequately prepared business ideas and poorly compiled business plans.

Most social entrepreneurs do not produce the much-needed documentation for audits or to acquire additional funding. This could be attributed to the lack of adequate skills to produce these documents or a lack of interest in preparing these documents with more focus being given to achieving social impact. The lack of start-up capital is common for most social entrepreneurs because traditional lending institutions consider financial sustainability over and above social impact. According to Thompson (2002), "many [social entrepreneurs] do not recognise the importance of fund raising and financial resources skills they will require." In addition to the minimal resources at their disposal, social entrepreneurs often do not have the means to outsource the financial function or hire full-time personnel to manage the financials of the enterprise.

Finally, a study by Rajendhiran and Silambarasan (2007) revealed that "earning profit, family and friends support, business people support, sustaining employees, promoting awareness, getting expert's assistance, [and] improving quality of life are the most sensitive factors of challenges of social entrepreneurs." This study provides a comprehensive analysis of the challenges faced by social entrepreneurs across the board.

2.6   Definition and relevance of entrepreneurship

Guclu et al. (2002) stated that "[a]ll acts of entrepreneurship start with the vision of an attractive opportunity. For social entrepreneurs, an "attractive" opportunity is one that has sufficient potential for positive social impact to justify the investment of time, energy, and money required to pursue it seriously." While this study is about social entrepreneurship, it is important to give a common definition of entrepreneurship itself,

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as a means giving some context for understanding social entrepreneurship in more depth. This is important because the discipline of social entrepreneurship finds some of its origins in traditional entrepreneurship.

Howorth Tempest, & Coupland (2005) defined an entrepreneur as "the innovator, the risk taker and the person who co-ordinates resources." Another definition is given by Dees (2001) as "commercial entrepreneurs are innovators who are pursuing economic goals." Entrepreneurship literature defines commercial entrepreneurship as more business-and commerce-oriented. Social entrepreneurship is considered as complementary to business entrepreneurship. Timmons and Spinelli (2004) define entrepreneurship as "a way of thinking, reasoning and acting that is opportunity obsessed, holistic in approach, and leadership balanced." These authors further describe entrepreneurship as resulting in the creation of value, not only for owners, but for all participants and stakeholders. At the heart of the process, as Timmons & Spinelli (2004) explain, is the ability to create and recognise opportunities, coupled with the will to capitalise on these opportunities.

Dees & Anderson (2003) suggest that "we should build our understanding of social entrepreneurship on this strong tradition of entrepreneurship theory and research." Approaching social entrepreneurship through this lens helps us appreciate and understand the work of the social entrepreneur. It also helps us understand the fundamental differences between social entrepreneurship and entrepreneurship in general. According to Hoogendoorn, van der Zwanm, & Thurik (2011), "survival and growth [of social entrepreneurship] is complicated by the combination of economic and social value creation that is widely considered to be a fundamental distinguishing factor between social entrepreneurship and commercial entrepreneurship."

The motivations of the social entrepreneur also differ from those of the profit-making entrepreneur. As explained by Marshall (2011), "[e]ntrepreneurs create new organizations through context-dependent, social and economic perspectives and processes. Adding social to entrepreneur maintains the idea of organizational founding steeped in contextual processes; it adds important differences in motivation, knowledge, and outcome measures." These motivations are outlined in the definitions

of the social entrepreneur that prioritise social impact above the creation of personal wealth.

In addition, both types of entrepreneurs possess similar characteristics which are used to achieve different objectives. These include (but are not limited to) proactiveness, risk-taking, leadership, and innovativeness. The success of most social enterprises, particularly in the burgeoning stage, also depends on the social entrepreneur's ability to leverage his/her networks. Katre (2012) indicated that social entrepreneurial ventures "depend on stakeholders, such as suppliers, investors, volunteers, community leaders, government agencies, partners and customers, to secure resources required for formation and development at nascent stages." The social entrepreneur's ability to manage the different stakeholders and harness existing networks to support the enterprise from initiation through to growth stage, often determines the success of that enterprise.

2.7   The legal framework and social entrepreneurship

South Africa presently has no formal policy to guide, support, or govern social entrepreneurship. This affects all social enterprises, not only from a funding perspective but also from a sustainability point of view. Ahwireng-Obeng and Piaray (1999) indicated that most social entrepreneurs in South Africa face a number of challenges, one of which is policy. Shaw & Carter (2007) stated that "regardless of the legal structure adopted, social enterprises operate within complex multi-agency environments that require them to adopt an open and porous approach to that environment." This lack of sound policy has resulted in the lack of adequate support services for the social entrepreneur and social enterprises.

Social entrepreneurs in South Africa are often forced to take the form of traditional NGOs due the existing legal framework. This is prohibitive for the social enterprise because they often operate as an NGO instead of as a fully-fledged social enterprise that has a social mission but is also concerned about balancing their financial sustainability through some form of profit or revenue generating activities.

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Chapter 3: RESEARCH QUESTIONS

This study seeks to answer a set of questions that will shed light on the experiences of social entrepreneurs in South Africa. The following research questions will be answered:

- **Research Question 1:** What motivates the social entrepreneur?

This question seeks to understand the primary motivation of each social entrepreneur. This will be assessed in light of the definition given for social entrepreneurship.

- **Research Question2:** How did the social entrepreneur start the venture?

This question seeks to understand the resources that were needed by the social entrepreneur to start the enterprise. The question also seeks to understand the skills and knowledge used by the social entrepreneur for the running of the enterprise on a day-to-day basis.

- **Research Question 3**: What kind of support did the social entrepreneur receive?

This question addresses the type of support received by the social entrepreneur to date, as well again a better understanding of the support required by the social entrepreneur.

- **Research Question 4**: What have been the key challenges and opportunities during the start-up experience?

This question looks into the challenges, strictly related to their experience as social entrepreneurs that each social entrepreneur has faced. .

- **Research Question 5**: What benefits has the social entrepreneur received in the process?

This question seeks to understand what benefits, both tangible and intangible, that have been received by the social entrepreneur..

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Chapter 4: RESEARCH METHODOLOGY & DESIGN

4.1   Research method

This study aims to give insight into the experiences of social entrepreneurs. The study evaluates their experiences, highlights their successes, and addresses their motivations. A qualitative research methodology is therefore best suited to this investigation. According to Sumner (2006), qualitative research can be defined as "research that investigates aspects of social life which are not amenable to quantitative measurement. Associated with a variety of theoretical perspectives, qualitative research uses a range of methods to focus on the meanings and interpretation of social phenomena and social processes in the particular contexts in which they occur." This allows the researcher to derive rich meanings from the vast data collected and derive common themes found in the data that are used to answer various research questions.

Sumner (2006) also states that "the methods used in qualitative research, often in combination, are those which are open-ended (to explore participants' interpretations) and which allow the collection of detailed information in a relatively close setting. These methods include depth interviewing, ethnography and participant observation and conversational analysis." The nature of qualitative research, with its emphasis on depth and detail of understanding and interpretation, makes it the most appropriate research methodology.

 Based on the amount of data often collected in qualitative studies, the sample size for this study was limited to twelve respondents. These respondents comprised social entrepreneurs in the Gauteng region having a functional enterprise not younger than six months. The social enterprises interviewed were not limited to registered entities only. The sample size was selected taking the timelines of the research into account: a larger sample size would not have allowed for a thorough analysis of the data collected.

The qualitative approach also enabled the researcher to systematically ask the question "*Why*" and get in-depth information from the respondents. This approach allowed for an identification and understanding of the silent nuances that exist in the lives of these social entrepreneurs. The study used biographical methods that are commonly regarded as suitable for the narrative study of individual lives. According to

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Fillis (2006), "[b]iography ... seems a rich and only partially exploited form of inquiry for reaching multiple intellectual goals and purposes."

Froggett (2004) has indicated that, "from both user and professional perspectives, biographical methods are well adapted to considering human attachments, belonging and suffering. At the level of action, biographical methods tease out the motivations and justifications of individuals. They can trace points of articulation between individual consciousness and political discourses and the way these intertwine within organizational narratives and founding myths. Biographical methods can help restore the relationship between policy and lived experience by moving between micro- and macro-levels." This approach enables the researcher to sensitise readers to the experiences of the social entrepreneurs in light of the daily difficulties that they face. Understanding the context in which these social entrepreneurs operate simultaneously sheds light on their needs.

As with any research methodology, the biographical approach has its disadvantages. Fillis (2006) has identified common disadvantages of biographical research as indicated below, together with the approach taken in this study to minimise the effects of these difficulties:

1. "***The problem of managing the data***"

Proposed solution: A qualitative analysis software tool was used to manage the data. The software was used to cluster and code the data into meaningful information for analysis. The list of codes generated is available in Appendix A.

2. "***The difficulty of maintaining sufficient distance from the data***"

Proposed solution: The research guidelines and parameters of the research were used to define the study objectives and what needs to be achieved through the study. The researcher was open about her relationship to the study, her presence in the interviews.

In pure essence, all research is generally exploratory and this includes the proposed study. This in itself called for a thorough, flexible but pragmatic approach. Exploratory research is often a process of continual discovery: this consequently required detailed

note keeping by the researcher, not only of the interview, but also of observations and thoughts throughout the entire process.

4.2   Proposed population and unit of analysis

The population of relevance consists of social entrepreneurs who are currently running a social enterprise for longer than a period of six months in Gauteng. The unit of analysis was the current and existing social entrepreneur.

4.3   Size and nature of the sample

For the purpose of this study, judgement or purposive sampling was used. This is a non-probability sampling technique in qualitative research. According to Tongco (2007) "The inherent bias of the method contributes to its efficiency, and the method stays robust even when tested against random probability sampling. Choosing the purposive sample is fundamental to the quality of data gathered; thus, reliability and competence of the informant must be ensured"

4.4   Data collection, data analysis, and data management

Due to the nature of the research, the data collection, analysis, and management are pivotal steps in the research process. The interview process produced rich data, both from the actual interview and from general observation. To avoid the loss of any information during the data-gathering process, the following process was used:

1.   An in-depth and lengthy interview was conducted with the respondent.
2.   The entire interview was audio-recorded (with the permission of the respondent). All audio files were stored for future consultation.
3.   Detailed notes were taken throughout the interview process (permission for this was requested from the respondent).
4.   After each interview, the researcher consolidated all notes and thoughts at that particular time using a research journal. Subjective and immediate thoughts were also recorded for future reference.
5.   At the end of each data-gathering day, the researcher clustered the information in line with the proposed theory of the research and made any additional notes.

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6. Any new themes were noted each time and assigned new codes.

7. The notes were transcribed as raw field data.

8. The data were consistently synthesised.

Adherence to the process outlined above was imperative and determined the quality of the findings and overall research. This systematic approach enabled the researcher to have sight and understanding of all data, to be able to sift data where necessary, and, finally, to produce meaningful results.

4.4.1 Data collection

Due to the nature of the research, semi-structured interviews were best suited to gather relevant data and allowed for flexibility. This was important because each respondent was encouraged to tell their story. A discussion guide was developed and each interview was guided by the research questions at hand. A copy of the discussion guide is attached in Appendix B.

All questions were open-ended to present the respondent with the opportunity to be free and open. Biographical data was gathered about each respondent and general information was gathered about the enterprise. The interviews were narrative, giving detailed accounts of stories and experiences by the respondent. In this process, it was the role of the researcher to give relevance to critical experiences mentioned by the respondent, for example, "You mentioned that X happened – please tell me more about that experience?"

4.4.2 Data analysis

Content analysis is widely used in qualitative research. According to Hiseh & Shannon (2005), "…content analysis has three distinct approaches: conventional, directed, or summative. All three approaches are used to interpret meaning from the content of text data and, hence, adhere to the naturalistic paradigm." According to Downe-Wamboldt (1992), as cited by Hiseh & Shannon (2005), "The goal of content analysis is to provide knowledge and understanding of the phenomenon under study." This study adopted a direct approach to the content analysis.

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Predetermined codes were used for the study (Appendix B). Data that did not fit into these pre-defined categories were analysed and assigned a new code. Coding formed an important part of the research, not only for identifying the different themes, but also for linking the data. According to Bogdan & Biklen (2007), coding "leads you from the data to an idea and from an idea to all the data pertaining to that idea."

4.4.3 Data validity and reliability

Due to the nature of the study a conscious effort was taken to maintain the reliability of the information and to preserve the value of the research report. Jupp (2006) defines validity as the "the extent to which conclusions drawn from research provide an accurate description of what happened or a correct explanation of what happens and why."

This validity was ensured by making sure that the research instrument in this instance, the questionnaire captured data accurately and appropriately. Internal validity was achieved ensuring that that the explanations used were correct and, finally, external validity was derived by assessing the results.

4.4.4 Potential research limitations

Some limitations of the above approach include the following, together with the measures that were taken to mitigate these:

- The lack of a formally recognised definition of the social entrepreneur makes the acceptance of referred respondents subjective based on the definition selected for use for this particular study. The definition proposed presented the dimensions through which respondents were selected.
- Openness and establishing trust from the respondents affects the quality of data collected. The researcher established a rapport with the selected respondents and collected the data over an in-depth interview.
- Due to the nature of some social entrepreneurs (some are foreign nationals and not formally registered or legally recognised), access to them more than once may have been a challenge if this was required.

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Chapter 5: RESULTS

This chapter describes the results obtained through the interviews. The chapter is a display of the account of social entrepreneurs, not only through their eyes, but through their words. Two types of entrepreneurs are engaged in this chapter: full-time and part-time social entrepreneurs. Full-time entrepreneurs spend all their time at the enterprise, whereas part-time social entrepreneurs often allocate some of their free time to the enterprise and as and when a need arises.

The stories of twelve social entrepreneurs based in Gauteng across different social spaces and with varying levels of impact are discussed in the following sections, dealing first with full-time, and then with part-time, social entrepreneurs.

5.1   Full-time social entrepreneurs

5.1.1   Primrose's story

Primrose is now in her 60s and for the last two decades she has dedicated her time to saving the lives of children in Alexandra through an orphanage. The story of her life is the story of all the children that she has raised through her orphanage. She is a trained teacher who decided to take over an orphanage that was previously run by her local parish in 1992. Since then she has established an orphanage that has become one of the key organizations in Alexandra, Johannesburg.

> *"I was trained as a teacher and I felt it was boring and left to do what I am doing now. I felt unfulfilled with just teaching because I could not grow. So as I was feeling this I saw an advertisement by the apartheid government."*

She had negative life experiences, particularly whilst growing up. Her mother supported the family from earnings gained through a shebeen that she managed and her father was absent. Primrose also talks of how she witnessed her mother helping other people in the community;

> *"I grew up in a shebeen and my mother was a shebeen queen and she came from the rural areas and my father was abusive and he never maintained the family. My mother was a shebeen queen and was arrested*

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> *at least twice a month but she was always taking care of people in need like paying for other children's school fees and many other things she did for community members in need."*

Primrose has helped many helpless children as a social entrepreneur. She has been resilient and given the children another chance in life. Here is a story of one of the children she took in:

> *"I agreed to help the child who was in Katlehong at that time. When we arrived at the place the child was wrapped in newspapers as a diaper and a thin cloth and the child had sores all over his body and he was shaking because it was cold as it was May then. This mother's child had died of HIV [human immunodeficiency virus] and the remaining family members did not want to have anything to do with the child. When I took him to hospital he was 4 months and the doctors prescribed ARVs [anti-retroviral drugs] and I refused to put this child on that medication because in my mind the child was too young and I prayed to God about the child. Today the child is 11 years old and very healthy and his status is negative."*

Primrose is hands on and very close to the operations of the enterprise. She is based at the enterprise and visits her home occasionally.

> *"I stay here permanently? When I started I never stayed here but with time I realised I needed to be here to maintain more control and quality. I started staying here in 2011 because of the quality of treatment being given to the children."*

For the last couple of years, Primrose has been based at the orphanage and goes home to visit her children and grandchildren on weekends. Despite this being good for the orphanage, it has also put her family under strain. Primrose has a sense of guilt over the amount of time spent at the orphanage compared to the amount of time dedicated to her own family.

> *"I feel guilty because I do not have time for my own children but more of the*

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community."

A challenge faced by Primrose is the lack of acceptance of her work. Having started the work in a time when there was a lot of stigma attached to HIV/AIDS [acquired immune deficiency syndrome], her family found it difficult to accept the work she was doing.

> *"My family was never happy with the orphanage especially because of the stigma around the HIV/AIDS virus."*

As she sits on a small stool at her orphanage, Primrose concludes by describing her work with passion and quickly mentions the peace of mind that she receives as a result of the work she does:

> *"I benefit joy and peace. One thing I discovered is that you do not get peace from being famous, wealthy and rich or seeking favour from people but you get peace from what you do because it is fulfilling and I love what I do."*

In the same breath Primrose goes on to say:
> *"I sleep like a baby at night."*

5.1.2   Cynthia's story

Cynthia is a middle-aged female entrepreneur who runs a multi-purpose centre in Soweto with 45 employees. She is a single mother of five and a grandmother of three. A vibrant, well-spoken lady, she exudes confidence and inspiration. She has been one of the many South Africans who have been at the forefront of the liberation struggle against the use of Afrikaans as a language in schools which led to the famous Soweto uprising. According to Levy (1999) "A major turning point was the 1976 Soweto uprising, which began as a revolt against a government plan to teach Afrikaans in black schools". She mentions how she had to marry early so she could change her name because of the liberation struggle and her mother made sure she went to hotel school because she had not been able to complete her matric.

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> *"I also had to get married at a very young age and I wanted to change the names and identity out of the political sensitivity at that time and be a housewife. Consequently my mother was very desperate to make sure I make something of my life and being in the hotel industry herself, she put me into hotel school."*

So from there Cynthia became an experienced hotelier but resigned from this to begin the multi-purpose centre that changed her life forever.

> *"I also did a Diploma on Hotel Management but when the hotel I was working at closed down, I studied as a nurse but could not finish that because I began to pursue the work that you see here."*

Her journey as a social entrepreneur began when she offered to help two young children find their mother who had left home to go to hospital and had not returned home. She later discovered the mother had died and the children did not know and, like many families, the children did not know that they were now living with HIV/AIDS.

> *"I remember a typical story of an 11-year old girl with a sister who was 14 years old and they called in because they wanted to find their mum who had gone to hospital sick with HIV. They stayed in an informal settlement and had no address so it was difficult for the hospital to trace them and the mother was missing from 18 July and it was now September. So I decided to go to the hospital and check and the mother had checked in but the children were not even aware of this and the mother had died and the children did not know. The hospital did not even know the woman had children and were going to give her a pauper's funeral. For me those children had closure about their mum because all they knew was that their mother had gone to hospital and would be back after two days or so but it was months later."*

As she narrates her life story, Cynthia speaks of the pain she has endured. She tells of how her father passed on as an alcoholic, she lost one of her sons to suicide, her

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daughter was diagnosed with bipolar disorder, and her only remaining son is also an alcoholic and journalist like her father.

> *"I also lost my son to suicide in 2010 and I have three amazing grandchildren. My daughter has also been diagnosed with bipolar. I have lost my dad to alcohol who was a journalist and now my son is also a journalist and going through the same path and I am scared I will lose him."*

Another challenge faced by Cynthia is that her family has taken strain and her children often feel that she does not give as much attention to them as they deserve.

> *"Somehow my children feel I am not attentive to them because I work with children and young people and it has been a struggle. My daughter actually just told me where to get off recently because she doesn't understand how I can help total strangers and not help her when she needs money for her treatment and I did not have it because I have not received a salary this month and she felt I put the orphanage first and not her. Unfortunately sometimes you look into needs of children on the programme and you get back home and become a mother who has her own financial challenges."*

Cynthia receives a minimal salary from the centre but this is not consistent or reliable. This often results in a lot of the emotional strain typically faced by social entrepreneurs, echoed by Cynthia as she says:

> *"I have felt the pain for that and I do not have the answers to that. I am reminded of a quote by Madeline Albright [first female United States Secretary of State] that says 'I am Madeline Albright - the woman the world believes can change the world but I still go home and my children and grandchildren react to me,' and I have lived that as well."*

Cynthia describes how she has often felt fatigued during her journey as social entrepreneur. She is careful to make sure none of the people in the office hear her speak of this.

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> *"From a personal perspective, we often forget ourselves in all this and I remember going to a retreat and coming back twice as tired and I realised that I need to re-fill so that I can love again and be able to give once more to the community."*

Cynthia has been one of the fortunate entrepreneurs that have been able to receive some external support and requested an extended leave from her board. She has been able to receive professional coaching:

> *"At the moment, I have asked the board to consider me going on sabbatical for a while and reflect. Investec [Bank] has also been supportive and pays for me to have access to a coach whom I talk to on a personal level and that has been of great help."*

When asked what kind of resources and skills are needed to manage a social enterprise, Cynthia explains her initial perception about social work.

> *"I had those ideas that humanitarian work is easy but it was not so. I had to rely on my hotel management skills but then they were lacking because most of the work is done and easy."*

Cynthia also shares from her personal experience and past challenges faced by highlighting the need for good human resources and programme management skills:

> *"Here I needed to know my beneficiaries and I got mad when asked what it costs to raise a child a day and I got upset because I did not have the skills to understand what was required of me. I would ask how do I measure that, because it is like asking me to measure my love for each beneficiary and I took it as people being unfair. My financial skills and governance skills were lacking and I didn't understand the importance of getting the right Board. I was also exposed to the King 111 code [give reference] and I had the heart side but did not have the hard core skills."*

Cynthia consequently failed to submit adequate financial documentation to maintain registration for the centre? This was just one of the mistakes she has made along her

journey as a social entrepreneur. She was focused on the day-to-day operations and neglected some key functions required to keep the enterprise afloat.

> *"We spent three years without submitting financial statements and we did not get money from government. I was also so busy trying to make this place work, running around like a headless chicken because I did not have the skills required to effectively run this place."*

After many mistakes, Cynthia realised that she needed additional skilled human resources to grow and sustain the enterprise:

> *"I came to the realisation that I cannot do it on my own and I had hotel management and half nursing."*

Cynthia is aware of her strengths as a person and realises that her skills are limited:

> *"The hotel experience helped me too because [I] understood functions and I realise that I have a special relationship with all the children and I was used to coming up with solutions and the children come to me with issues because they know I will sort it out."*

She came to the realisation that she needed to get a good understanding of the HIV/AIDS virus to equip herself to better serve the community:

> *"Also later on I realised I had to do a thorough research on HIV/AIDS and what it really was because I did not understand it and I overlook the fact that some beneficiaries who had been infected and now we needed to separate them. One of the mothers brought her 1-year, 8-months old child to me and I took him in and cared for him and only three years later I realise that he was positive as well. The issue of having infected beneficiaries really hit me hard because I had overlooked it and it was so important."*

Cynthia also had to learn and understand human resource management and how bring

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the interventions to a close in order to recruit other beneficiaries:

> *"Also all the issues around human resources and I realised I had to go out and get all the assistance I needed. I realised we needed exit programmes for our beneficiaries and maintain updated databases."*

Cynthia has come to understand the processes of running a social enterprise and, in hindsight; she has a better understanding of the types of skills and resources required as well. On a more personal note, she relates one of the greatest challenges she faces: finances and how it often discourages her from day to day.

> *"I was so discouraged and told them I am about to lose my home because I have not been able to pay the bond. I have had to explain that I do not have money and have not been paid my salary last month."*

In order to survive, Cynthia has had to make good use of the networks she has, whether for her personal needs or those of the enterprise:

> "*I had to call Alicia Keys, the musician, because she was once here and explain that I am so stressed out because I am at the verge of losing my house and I do not know what to do. Fortunately one of her friends agreed to assist me with the bond payments and that was a huge relief."*

Cynthia also explains how the people around her have assisted her in the day-to-day running of the enterprise:

> *"You see people don't know that this work is very difficult, especially trying to run everything and meet the demands of the auditors, Board, making sure your employees are not paedophiles, and basic understanding of the King III code. If it wasn't for my friend, this guy from McKinsey who has become my friend, I would not have learnt all these things."*

When asked about what kind of support she has received, Cynthia mentions various sources she has received, such as for her personal upkeep:

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> *"You see even these clothes I am wearing — someone was complementing me but they do not know that I was given these clothes by my Indian friend. She was actually here and was shocked to see me wearing them to work and I told her I cannot afford to buy myself clothes so yes I will wear them. But no matter how difficult the work must go on."*

Support has also come from family, visitors, and friends for the centre:

> *"My mother has been very supportive through it all. The church has also been supportive and I know there are women that pray for me every day. I also use the church bulletin to get assistance. Celebrities have also been supportive because they do events and the money received is donated to us. The universities have been helpful – they have given their resources, for example, UJ [University of Johannesburg] gives us intern psychologists that come in and work with the children and that is very helpful. I have a German friend who stepped in and assisted and persuaded the local grannies to come weekly and tell the children stories and impart wisdom and knowledge. Local business such as Sakhumzi, the restaurant, donates food items to us as well. Some people also donate clothing to the children and even if we do not get money we get assistance in kind."*

Cynthia continues to run a successful multipurpose centre with the unwavering support of her mother and is looking into expanding by acquiring another piece of land that will be dedicated to drug addicts and will offer rehabilitation services.

5.1.3 Evelyn's story

Evelyn is in her 40s and her health has suffered over the years as she has fought against HIV. She is based in Alexander, Johannesburg, but is originally from Bethlehem in the Free State province. She was raised there by her granny and her aunt.

> *"I was raised there by my granny and my aunt and only four years [ago] I discovered who my real mother is. That has been a frustrating issue here and there for me but I have accepted it. I came to Johannesburg in my late*

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teenage years after I passed my matric."

She is proudly pregnant with her first child and is quick to mention how shocked she was at falling pregnant. Her account of education and work had been minimal prior to her introduction to the children's home she now runs.

> *"I came to Johannesburg in my late teenage years after I passed my matric. I have volunteered at many organisations since then, such as Mother Teresa, Shelter City Orphanage, and Friends for Life. I found out that there is a need and I defined a mission."*

As we sit in her office, she is adamant that her personal assistant (PA) sits in on the interview to take minutes because she often forgets. As she speaks about the beginning of the home, she warmly gives an account of how her PA, Rose, has been with her from the beginning when she initially rented a one-roomed house in Alexander.

> *"As soon as I was fine, I rented a room out and it cost me R1400 and I was left with R600. Rose is one of the care givers and I started the organization with her back when I was in the one room."*

After discovering she was HIV positive and being at the brink of death, Evelyn made a commitment to help those in need like her, particularly children who are infected with the deadly disease.

> *"Many years ago, 1992/1993, I was diagnosed HIV positive and by 2000 I was terminally ill. At that time when I was volunteering at an organization and we used to be given boosters, vitamin because they was no medication but a lady was willing to give medication to sick people. She bought me medication worth R1 200 and before she did this she asked me why she should invest in me and get me the medication. I told her that if she got me the medication and invested in me and God gave me a second chance, I would help other people who are sick.*

Through the pain of the HIV disease, Evelyn made a commitment to make a difference

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and help others:

> *"I was so sick at that time when I met her, I remember I was in nappies, very dark, I looked like another person. I used to ask for water in hospital and they would just put a blanket over my head as if I was mad but deep down inside me there was light and through these experiences I learnt how painful this disease can be. I realised that you only live once and through this hard lessons I have learnt to help others and uplift each other."*

This is where the vision to begin the children's home began and, as Evelyn got better, she crystallised this from a dream to a clear plan. She used theoretical models to assess the needs in her community. This shows her ability to be a strong visionary.

> *"I have matric and a certificate in social auxiliary course. The government gave us an opportunity in 2008 to do a one-year course and that is how I got my social auxiliary course. I was a very hardworking person and I did all the research about Alexandra and how the society looked at that time according to Maslow hierarchy of needs."*

Evelyn has been an advocate for children in Alexandra prior to beginning the enterprise:

> *"I remember during the xenophobia attacks [give date and reference if possible] I was at the forefront advocating for displaced children at that time. I remember telling the people at the college where I did the course, during the presentation time (she requests her assistant to bring file with all her course notes) that when I leave this place that I will have an organisation even when it was not existent."*

Through her work as a volunteer, Evelyn was able to identify a need and seize an opportunity to make a lasting difference:

> *"It started as a soccer club and I was working for another organisation then. It was started by a Ward Councillor and because he was busy I was*

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asked to intervene and I realised that these children face a lot of social issues and I decided to do something about it. So in 2007 I registered the NPO [non-profit organisation] and I used to work with the community before because I was known and it was easy to receive additional children into the organization."

Evelyn speaks of how she has had a number of opportunities to leave the home and pursue more lucrative options but she has declined because she is determined to see her vision come to pass fully.

"Sometimes I wished I had gone when the government made the offer for more money but because of that commitment I had made to save the nation and give back to the community, I decided not to look back or reverse the oath I had made."

She has been presented with opportunities where she could make money based on the popularity she has gained as a social entrepreneur:

"Just last week, some members of the community came and tried to convince to run for Ward Councillor but I refused because I do not want to lose focus. They were even telling me I will be earning R40 000 per month but I refused. Even if you make me a minister or give me 1 million [rand], I will refuse. I made an oath to make a difference in people's lives."

Evelyn is very persistent and tells of how she has even challenged the local government to ensure that her dream is recognised.

"I have been to the Department of Housing more than twelve times. Every day I went there and they told me they did not have land. One day I asked them to give me a list of all the women that they have assisted because as government you claim to assist women but I was not getting the help that I needed. I even asked them to give me an official letter stating that they cannot help me to set up this organisation. Finally after a lot of arguments and fights they gave me a letter with an official stamp stating that I could

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use the land I had identified but they stated that I cannot put up a formal structure, but I did not worry because I knew that was a battle I would win also".

When asked what skills are required to manage the enterprise, she explains that approach is imperative in her line of work:

"Approach skill is very important. I have actually fired someone here. When I hire someone I normally have a good induction and clearly told what is expected of each of us. This lady I am telling you about, she is not bitter and understands because I was clear from the onset what is expected, so it is not personal. If someone steals, for example, they normally get a written warning and if they repeat the offence then harsher measures are implemented. I also try to make all the people part of the decision making and am willing to hear what suggestions they have about improving the work that we do here because I do not have all the answers. Through this, the workers and the community see that we are really trying to help them and all decisions we take are for the greater good of the organisation".

Through the right approach, Evelyn explains above that all stakeholders become comfortable and supportive of the work. She mentions how workers are able to make contributions to the enterprise because she realises that she needs the input of others to be successful.

Other skills that she mentions are the ability to fundraise, manage the programme, and marketing:

"The social auxiliary course was very important for me because I learnt how to write proposals, the intake process of children, how to provide services, how to market yourself to the business sector. I am aware that each person is unique and they have strengths that need to be harnessed. For example, you involve the beneficiaries in the planning phase and make them part of the process and, as a leader, even if I know what to do, I prioritised their buy-in in the planning and implementation phase."

Evelyn also faces a number of challenges, as she mentions that the beneficiaries are often more than can be catered for with the help available, such as food parcels and home visits done by the care givers:

> "Sometimes the number of beneficiaries is too large and we cannot support all of them because some of the families are so large and it causes conflict with the community as well."

Evelyn has also had some very positive and encouraging experiences as a social entrepreneur. Her face lights up as she gives an account of how various stakeholders have celebrated her:

> "The ESKOM CEO [Chief Executive Officer] came here to see for himself what I had been telling them about the work we are doing here, he was so impressed because he was under the impression that I was under the power lines and it was not safe. Mampele Rampele has also been here to visit and I remember she was on her way to a conference and she took the time to stop here and when she was giving her speech at the conference she mentioned my work here and I was so proud (as she holds a newspaper cutting with the renowned Mampele Rampele).

> "I have had the township honour me as well and it was such a good surprise and SABC [South African Broadcasting Corporation] came and they picked me up and I was in a limousine for the first time ever. I do not drink alcohol but that day they offered me champagne and I drank it."

Evelyn also feels a sense of achievement and accomplishment because she firmly believes in helping those around her and her PA, Rose, is a case point. She mentions how Rose has completed her degree in Media and on the day she graduated:

> "I cried because I felt that I had accomplished something by changing her life and I was so proud."

She mentions how her work gives her joy because every day she can see the fruits of her labour:

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"I am happy because I see the difference that we are making."

With excitement in her tone, Evelyn shares some of the material benefits of running the enterprise. This is unique for social entrepreneurship as most enterprises are unable to provide material benefits for the visionary. Despite winning the award for herself, Evelyn split this with the enterprise and bought herself a vehicle. She also gave some to the money to her staff members.

> *"Last month I won an award from IDC [Industrial Development Corporation] of R65 000 and I told everyone here at the centre - I did not hide it from them. These competitions are sustaining the organisation. I bought a car with R40 000, R15 000 for the staff and R10 000 is in the bank account. If you want to succeed, you must stay close to other successful people and help wherever you can."*

After the interview Rose takes the time to take me on a tour of vegetable gardens and the recycling centre she has set up within the same property. She also takes me on a tour of her offices.

5.1.4   Martha's story

Martha is a dynamic and energetic lady in her 40s. She is the true encapsulation of the phrase 'dynamite comes in small packages.' Running multiple projects, she sits across me and smiles and exudes positive energy. She is a wife and mother of four. Born and raised in Alexandra, she proudly says:

> *"I am an Alexandrian and I love my township and it is so dynamic."*

Martha runs a buy-back centre in Limbro Park, Johannesburg. She gives an account of how she has two enterprises running at the same time and is in the process of registering a third one. Her motivation for starting the enterprise is underpinned by her love for Alexandra and the discomfort at all the dirt she saw in peoples' yards. Her ability to communicate this passion gave her the confidence to put a team together to assist her and to get the support of the community as well.

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> *"When we started, we wanted to make Alexandra a different place and make it a cleaner."*

Martha and the community started small and were not hindered by the statutory requirements in terms of registering an official enterprise before beginning operations of external funding.

> *"We started by removing scraps taking up space in our communal yards, but we were small then and we called on all community members and shared our vision on how we saw Alexandra turning out to be and to our amazement people wanted to start the buy-back centre immediately and we could not stop them. We were still hoping to register, get funding but they were ready and they started small by removing old fridges and mattresses."*

Martha has received support from various sources to keep her enterprise running. Most of the people who collect recyclables receive a stipend but, through various networks and stakeholders, they receive support in kind such as food and clothing donations:

> *"One day it was a councillor providing lunch and another day a business man or a well-wisher would just deliver "ama-quarter" [this is a type of sandwich made using a quarter of a loaf of bread. This normally has a variety of fillings) to all the workers. The community has always been supportive of our work."*

She has also received support from local businesses within the industry, such as PikitUp, that have been instrumental in assisting her to set up the enterprise and have the right systems in place.

Martha has also come head to head with financial challenges, as funding has decreased significantly and this has affected the enterprise. This has led Martha to find other ways to raise funds, such as selling the collectables, as opposed to merely taking them to the PikitUp sites.

> *"After the DBSA [Development Bank of South Africa] funding we have not*

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> *received more money and things have been difficult. And as we went along we realised that all the waste we were taking was money because we would just remove it and put it outside and Pickit-Up would just come and collect and take it to the dump site. So we began selling it and with the money we would hire a truck to come and take the scraps and with the remaining money we would buy lunch."*

Despite this alleviating the pressure, funding continues to be the biggest challenge faced because without the money they cannot employ more people but often have to retrench workers.

> *"For me I thought I would have created 100 jobs by now and this is a disappointment for me. When we were funded by the National Lottery we created 50 permanent jobs but now those people are back to square one because we could not sustain that. Most of them were youth and we tried to get them other opportunities such as computer courses because they had matric. Some are teachers, working in Spar. So my challenge is not being able to reach my potential due to lack of funding."*

In the quote above, Martha describes how she feels she has not reached her full potential in terms of helping others through job creation due to the lack of funding. She explains how access to funding allows them to employ more waste collectors. Despite the challenges faced, Martha has experienced some benefits of being a social entrepreneur. She has received both emotional and material benefits:

> *"It's both material and emotional and personal achievement – extend my house, brand new car from the box and I am making a difference even if is small. I am recognised in the community as Mabel–Waste and I see women buying stoves and improving their lives also."*

Through sheer passion and determination, Martha has become a beacon of cleanliness for her community and as she states herself:

> *"Perseverance, prayer, and passion have carried me through,"*

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5.1.5 Conrad's story

In his early 50s, Conrad is a serial social entrepreneur on his fourth attempt at setting up a social enterprise. He currently runs a social enterprise that provides enterprise and leadership development training to youths in Gauteng townships. He is a proud husband and father of two who describes himself as:

> *"I am a social entrepreneur, a family man, and two beautiful kids and a wife. I am passionate about sharing information and social change – helping people help themselves. In my business I always have social elements were people empower themselves."*

His journey of social entrepreneurship has been long and not without its ups and downs, and he has learnt a lot along the way that he believes will be instrumental for his success going forward. Conrad's first enterprise failed after four years, after which he registered a second enterprise that failed as well. The third enterprise also failed but he has not stopped and has gone on to register another enterprise.

> *"My first enterprise I registered in 2005 and it went for about four years and it failed. So I had to register another one which also failed. I am on my fourth enterprise with a lot of lessons learned from past failures."*

His motivation to begin the current enterprise can be attributed to two main factors: firstly, his desire to be able to implement social change freely, and, secondly, the desire to be economically free. Like many social entrepreneurships, his business skills were minimal upon starting the enterprise:

> *"To start they were minimal skills in understanding business or the business world. I needed money management skills and that was to start. I had not even began to scratch the surface because as I got deeper into business I realised that the basic skills I had were nothing to write home about and I needed much more skills to run the business. Not only technical skills but social skills."*

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Conrad highlighted the need for more skills that he possessed to start, run, and manage the enterprise. He recalled how his social skills became very useful as he began the enterprise.

> *"I realised that my social skills were very helpful because I am a people's person and I would say that these skills are quite good. That helped me to be able to source more information and access more skills, emulating successful entrepreneurs and so on."*

Conrad values the support he received from other people who had started and managed successful enterprises: one of those people became his wife.

> *"I felt that I did not have sufficient confidence to make that jump to start. However after interacting with a few people that had succeeded in running their own enterprise, that helped my confidence. That's all [I] needed."*

He values the lessons he learnt from listening to other entrepreneurs that have had similar experiences to him, such as his wife. Conrad is also a wide reader and often seeks new information about social issues and how he can incorporate these in his enterprise.

> *"Firstly by listening to stories, narratives of people who had gone down the same road and failed and walked again was motivating. I read a lot and that has made such a big difference for me and not only on business but social issue because I cannot move my enterprise away from the social space. My wife was one of the motivators because she registered and ran a company right before me, so I had a model right in front of me."*

Another form of support that has been instrumental for Conrad has been the financial support received from his friends when cash flow was very low. In the same breath, Conrad highlights some of the challenges he has faced in both the previous and current enterprise, such as financial challenges, experiencing too much growth too quickly, and lack of support from external agencies such as government:

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> *"The first one being lack of good cash flow management. Even though theoretically I knew what to do it, but doing it was not easy. They were times when I would lose futuristic thinking as to how my money needed to be spread around to minimise risk. At times I couldn't go beyond six months in my budget. Despite having an actual budget the actual doing was a challenge."*

Another challenge faced by Conrad was the quick growth of the enterprise without having the adequate skills, knowledge, and resources to manage the growth:

> *"The second [challenge] was rushing to grow too quickly particularly with my first enterprise. For an example, I signed a two-year lease for a very costly office but that office made sense because I had got a big contract but at end of it I began to struggle to pay for the rental and that really set me back. That was the kick start of the failure of the first business."*

Conrad also mentions legal challenges within the country and feels social entrepreneurs are not supported.

> *"The other [challenges] are statutory in nature, I think that the space for entrepreneurs in SA – really feels one is not supported by the government or the existing legislature, but you feel you are on your own."*

Conrad's journey also has some highlights in the form of opportunities he has experienced, such as meeting new people, and having the platform and autonomy to help young people that he is very passionate about.

> *"Yes, the first opportunity that stands out was a contract that I got from a Gauteng government department which required data capturers. I felt that I wanted young people and I doubled the number so I created a wider base and that cost me and meant I forfeit part of my budget. But at that time it was not about the budget but about planting a seed for the future. Some of those young people went on to get jobs out of that experience, others started their own business and so yes it also gave me the exposure to*

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> *those young people and share as much knowledge and information with them as much as possible. That is an opportunity that will always stand out for me."*

Through his employment at an NGO after his second enterprise failed, Conrad was able to contribute positively to the lives of marginalised women in southern Africa.

> *"The second [opportunity] is whilst I had suspended my entrepreneurial activities. I worked for an NGO that worked with people that ran very small enterprises particularly in rural areas. This was a great opportunity for me as well, just to shape someone's future and confirm my heart's desire towards helping people - that was a good opportunity."*

Conrad finds joy and fulfilment in his work. He highlights the satisfaction of witnessing real change in someone's life and that of those linked to that person through his intervention. Another benefit of being a social entrepreneur is the economic freedom that he often experiences.

> *"I think the first one is fulfilment, especially when I see a person who is therefore able to help themselves because I played a role is invaluable and that has given me a lot of satisfaction especially when you see a chain reaction when they help other people and pay it forward. The second one is economic, I have been an entrepreneur up and down and they have been both good and bad times, but it has helped me economically, stabilised my family, and it has also helped me to invest in myself because I have to read lot and learn a lot as well and that is invaluable to me."*

Conrad continues on his quest to build and ran a sustainable social enterprise. He continues to pursue means of being able to assist those around him through knowledge sharing.

5.1.6 Agatha's story

Agatha is based in Alexandra, Johannesburg, and runs a bakery. She is in her thirties and is a proud mother and grandmother. Agatha's story has been shaped over many years and she has been an entrepreneur most of her life. Despite running a bakery that

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supplies bread to a great part of the one million residents found in Alexandra, Agatha's history is marked with the initiation of a day-care centre as well.

She began the day-care centre in 1994 and later received employment in 1997, which she accepted because her mother, who was the breadwinner, had lost her job a few months before. Agatha's mother has taken over the day-to-day running of the day-care centre since then and Agatha has been able to pursue other interests, such as the bakery.

After working for a few years across a South African retail chain, Agatha decided to pursue her passion to begin a bakery. The transition was not easy as she needed a huge capital investment and no one except her mother was willing to invest in her business idea.

> "*It is actually a dream that goes back a long way. I got the CC [closed corporation] certificate in 2007 in August even though we started trading in 2008. In 2003 I was already talking about this and sourcing quotations for ovens and there was a friend of mine who lived across the road and every time she came to visit I would show her the veranda and that is where we are currently operating from: that veranda is our point of sale area and I would show her were the oven would be. She always asked me if I didn't think the space was too small.*"

Agatha's passion goes back a number of years and she is well known for baking cakes for her friends, family, and colleagues, especially on special occasions.

> "*In our yard we [had] lots of families and we had a culture to celebrate everybody's birthday and we would play music and we always had this birthday celebrations on my brother's veranda. I baked all the cakes at that time and I also began to bake cakes for work as well for my colleagues. I baked scones for the community and that is how the bakery started.*"

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Agatha has faced many setbacks in her pursuit to begin the bakery. Despite being able to register a legal entity, she was unable to begin operating immediately because she did not have adequate resources, such as equipment.

> *"After registration I took my CC certificate to a bank. It was around the 26th August and I told them I wanted to open a bakery. They opened a bank account for me though but could not assist me with the capital I required at that time. I needed ZAR 500 000 and I did not have any collateral, only a business plan. The person opening my bank account was not even interested in looking at my business plan. I went to another bank because I received a pre-approved letter for a loan between ZAR 1000 and ZAR 50 000, so I thought let me give it a try and see if I can get funding. When they heard how much I was looking for they also could not help me."*

Throughout her journey as social entrepreneur, Agatha has felt very discouraged and even stopped baking for those around her. She was discouraged and depressed because for many years she could not access the much needed funding.

> *"I began to feel discouraged and I wanted to give up, I stopped baking for my friends and the community. I switched it off my mind. For more than five years, I altered my business plan with new ideas. From time to time I realised I was unhappy in my life from time to time and I was listening to Myles Munroe (Dr Myles Munroe is an international motivational speaker, best-selling author, lecturer, and business consultant. He is the founder and president of Bahamas Faith Ministries International, and he is the founder, executive producer, and principal host of a number of radio and television programs aired worldwide). He mentioned something that if God has put something in your path, you must do it and upon introspection I realised the bakery issue was depressing me. Ever since we started my life has been different."*

Agatha has been resilient and persistent in achieving her goals. Before her mother eventually got her the start-up capital, Agatha prepared various documents to show her thinking and ability to generate income from the business idea:

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> *"Before my mother took a second bond and it was after the banks had rejected me, I had also been to Khula enterprise, Umsobomvu. I had SA bonds of my own and I did a spreadsheet showing how much they would make in terms of returns and I would speak to everyone I could and show them my spreadsheet and tell them I am starting a business. But people don't have that kind of money and one of my nephews confessed and told me that he thought I was mad when I used to talk about the bakery in Alexandra."*

Agatha mentions how people around her did not have faith in her business idea and her ability to generate the income she projected in her documents. Her dream was realised when her mother decided to take up a second bond to fund her bakery. Following this, the community has been very supportive.

> *"So people didn't have that trust and I am grateful that my mother took up a second bond for me. The community support has been overwhelming and a lot of elderly women even thanked me for starting the bakery."*

> *"You know the way it happened, my mother is the only one who actually put money in this bakery before it started. She put in ZAR 200 000 and with others, by the time they came in contact with the bakery, it was doing so well."*

Agatha has faced other challenges over and above the financial commitment, such as competition from the smaller and larger market players. Despite this, Agatha has received some satisfaction at running the bakery and assisting with the day-care centre.

> *"You know actually it gives me so much satisfaction and if I show you competition across the years that have cropped up. So when I see someone carrying one of our products it gives me so much satisfaction. I am glad to know that because of the bakery someone can send their children to school because I employ a lot of single mothers."*

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Agatha continues to run a fairly sustainable enterprise that provides quality bread to the Alexandra community and is looking to expand and open more branches in and around Alexandra and create much needed jobs as well.

5.1.7 Lerato's story

Lerato is originally from Thembisa in Johannesburg and her parents are from Alexandra where she operates a bakery. She is a proud mother and wife. This is her third attempt at setting up a bakery and she does it with the same passion as the first attempt, except much more wisely.

"It is actually a dream and this particular time is my third attempt at it."

Lessons learned from her experience have taught that she needs to know her market and understand her consumers to be able to penetrate the market.

"I think you need to know your market first and foremost, understand what people need and expect if you are to start an enterprise like this."

Lerato highlights how fortunate she is to have the current space from which she is operating.

"I was very lucky to get this. It's not easy to even get a room to sleep let alone the business."

Lerato has been able to leverage off her networks, and acquire the prime spot from which she currently operates.

"A previous customer from the other shop, we used to chat and by the way I was comfortable with that shop but there was electricity problems and location and I started thinking how about I look for something visible to the public and not have a hard time finding me. And this faithful customer suggested that I have a look at this and see that I like it."

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Lerato has received support from her family and siblings that have always believed in her ability to run and manage a successful enterprise.

> *My family, husband, and siblings have always believed that I am go-getter and that I will make a good person and that this kind of business suits my personality. Even when I resigned from my previous employer they all gave me a thumbs up, not that I needed it, but it is always good when people believe in you."*

Running a business of this nature in Alexandra is not without its challenges: she states that electricity is part of her day-to-day battles:

> *"Electricity remains the challenge even here. In winter there are certain times when I have to stop baking and I bake at 12 o'clock at night when there is no strain. By 5am I have to stop because [neighbours] are now switching on their appliances and I bake again at 1200 hours. I am anticipating buying a big generator like the one's McDonalds uses then I know that it will kick in."*

Lerato has also had to deal with poor acceptance from the community but she has used her soft skills to win them over. She has also leveraged off the fact that her parents came from Alexandra and are known in her area of operation.

> *"Other challenges - they is lots. Not everyone is extremely excited about me operating the bakery but I try with people skills to make them understand I am not here to fight but to make a living and luckily they know my dad coincidently on this street. They know my mom and my dad, especially the older people in the community. It was almost a problem with my second attempt but it is better now."*

Despite the challenges faced, Lerato is adamant to make this bakery a success in Alexandra as she continues to supply affordable confectionery to the locals and create employment. Through the enterprise, Lerato has acquired new knowledge and skills too.

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> *"I got to learn to deal with people and got to know the dynamics, relationships with people. I have learnt about cash flow: one day you have it, one day it is finished and you must manage it well through stock taking and projections. To also minimise your overhead costs. One day you are excited about the money you have and with the growth I need the excess. But I haven't done a course for financial management so have learnt to be sensitive with cash. I was in the account department in local government."*

5.2   Part- time social entrepreneurs

The following section tells the stories and experiences of part-time social entrepreneurs. These entrepreneurs are often employed and have to allocate some of their free time to the social enterprise. They often work in groups to minimise the work load.

5.2.1   Thabo's story

Thabo is in his mid-20s and he is in the process of completing a Master's degree in Business Administration (MBA) and believes that all business interests and pursuits should always give back to the community in one way or another. Thabo was born in Soweto and grew up in Johannesburg. He has lived a colourful life by having had the opportunity to live in culturally diverse environments which he believes have shaped the person he is today. Thabo is a part-time social entrepreneur who juggles formal employment and running a social enterprise. He runs the social enterprise in his spare time.

Thabo began a cross-mentorship programme for high school students, based on his personal experience as a young teen faced with the insurmountable task of making life-defining decisions and being exposed to a myriad of information. The cross-mentorship happens between the young working professional and the learners within selected Gauteng schools. Thabo's motivation for working with young people is his passion to develop leadership capability in young people:

> *"As the saying goes, "bend a stick while it is still wet," and I think at that stage they already know what they want to do but not clear about which vehicles. Often there is a sense of confusion because of the mixed*

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> *messages from the media, parents, friends, and digital information. There is a lot of information but no filter to help them channel their passions correctly and, having walked that path recently as a young professional and not too far from the point at which they are, one is not removed from them and I am able understand and can provide fresh input to their life and lifestyle."*

Thabo has been fortunate to be involved in a family business in which his father employs a similar approach to mentoring company employees. Thabo uses a similar approach:

> *"My dad is a businessman and coach and I thought let me do something similar but broaden it and invite other professionals and shared the idea with them. They bought it immediately and had faced the same situation. So we pitched the idea to the company we worked for and they bought into the idea and funded the first year and they advised us to think big but act small."*

Like many social entrepreneurs, Thabo has needed various skills and knowledge to begin the enterprise, such as the ability to dream, vision, and champion it into existence. Thabo also understands the importance of people for the type of enterprise he runs and the ability to be able to communicate clearly, to all stakeholders.

> *"The most important was people for training and for coaching and mentoring and they were important especially for an initiative involving mentoring like ours and getting other professionals to co-sign was important."*

Thabo has received support from both friends and family and this has been critical in keeping him motivated. This has been important particularly when he has faced challenges in his journey as a social entrepreneur. Some of these challenges include being a so-called Type A personality (Burke and Deszca 1982 state that "Type A individuals tend to be very competitive and self-critical. They strive toward goals without feeling a sense of joy in their efforts or accomplishments") and learning to be

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comfortable without having control of all aspects of the mentorship programme because people and events are often unpredictable.

> *"Key challenges in start-up phase were the fact that things did not work*
> *out as planned. Especially when you have a plan with charts and tables*
> *so being able to run a programme that breathes, especially if you have a*
> *personality that is ordered, is difficult".*

Despite being a 'hands-on' leader, Thabo has had to learn to delegate responsibility. Thabo has also faced financial challenges to manage the operations of the programme, particularly on a day-to-day basis. Thabo currently receives funding on a yearly basis with no long-term commitment and this makes planning difficult.

> *"Thirdly is the financial commitment because people are not always willing*
> *to support initiatives where they do not generate income in the long run and*
> *they fund on a yearly basis. of which it is difficult to plan ahead."*

However, running the cross-mentorship programme has been beneficial for Thabo as he has been able to position himself better as a young person and leader within the various spheres of his life. He has also felt fulfilled because of the positive results through the mentorship programme.

> "*It has been incredible. After the third year we almost dropped it because of*
> *people not seeing our vision or celebrating it so, but the fulfilment of seeing*
> *someone's life change and changing someone's life takes so little*
> *sometimes. Spending an afternoon with a young person can change their*
> *perspective on life completely. That has been huge for me."*

Thabo has also gained a lot of confidence from running the enterprise and he feels he is positively contributing to the country's growth despite the challenges facing the youth.

> *"From a leadership perspective, one is able to speak with confidence about the*
> *journey of something that has survived over time against the odds. That makes*
> *me grateful. I have things I can complain about the country but I am also part of*

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the solution because young people are able to critically analyse the current circumstance but cannot mention a solution. I feel I can complain with more confidence."

Thabo values the opportunity he has had to make use of his networks. He feels that people view him differently and have more confidence in his ability as a person.

"Monetary-wise there is nothing, all members are not remunerated but the value is also being able to leverage networks and also people have more confidence in me as an individual by an employee or partner."

Thabo continues to run the mentorship programme with almost 200 beneficiaries across the Gauteng province. He is currently trying to secure more funding so as to mitigate the risk of having one donor.

5.2.2 Dumi's story

Dumi is a young man with a passion for helping less privileged young people in Gauteng. He is one of the founding members of a mentorship programme with the province and a part-time social entrepreneur. The programme works with scholars in the province and seeks to empower them to be "super citizens" and formidable future leaders.

Originally from Free State province, he has been in Johannesburg since 2002 when he came to pursue a university education. Dumi is part of a group of friends that founded the organisation and values the support he has received from them, the donor, and his family and spouse in running the enterprise.

"So the first thing I need to say, the four people I started with were friends of mine so the support was there for each other and it is still there and we are going strong. From the partners we deal with, we receive a lot of support from the inception of the idea to date…"

Dumi indicates the importance of the various stakeholders in ensuring the success of their intervention and the importance of clear communication with them:

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"The schools are a big part of this, especially the relationships that we need to maintain because a lot of the communication happens through them. They ensure that we get the right calibre of children on the programme and allow us to come and discuss with grade eleven of that year and recruit and they assist with this as well. They play a channelling role that we can talk to on an ongoing basis."

His family is not based in Johannesburg and are not directly affected by the enterprise that Dumi is part of but he often consults his parents (who are both educators) on how he can enhance the programme, particularly because he is dealing with learners.

"My family lives in Welkom so they are not directly involved but they are helpful and supportive. I always bounce ideas off my parents because they are both educators on how to make the programme better."

On a personal level, Dumi is faced with finding enough time to dedicate to the enterprise, as he has to manage personal commitments, such as work and family.

"When it started it was fun, new and you are excited because it is what you want to do but as things go by you become a bit busier in your personal life and rationing time becomes a challenge and from a work perspective you get busier especially with the more time you spend in an organisation. The programme also grew from inception. We started with 60 mentees and this year we had over 180 so we had to really get our heads on how to manage such and think about changing the structure of the programme."

Dumi highlights the issue of sustainability for the enterprise, particularly from a financial perspective. Despite having a donor, Dumi is aware that this is not enough and puts the enterprise at risk.

"So there were a lot of challenges, especially from a sustainability point of view. If the donor decides to pull the rug under our feet, the programme would not stop but we would have to run around and get money for the next

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year and move it from being reliant from one source of funding to be more sustainable."

Other challenges have been from a programme development point of view, where Dumi and his team have been faced with hard facts about their beneficiaries that they had not anticipated and which they have had to manage along the way, and also how to manage the exit of beneficiaries from the programme.

> *"We have had many disappointments involving beneficiaries and the biggest shock of my life through this was in the first year. We tried to get into the mentee minds and the biggest shock was that they opened up and when they opened up about their upbringing some tears were shed and we were not prepared for that at all. But because we work as a group and we have different strengths. It helped because I definitely would not have coped alone because they are more emotionally connected than I am."*

He has faced challenges concerning exit strategies for the mentees because he had become emotionally connected to them. He has also had to grapple with how much intervention he can give to them in terms of support and how it affects the entire programme.

> *"On a personal level you form direct relationships and when we began I had two mentees and still am in touch with one of them and the biggest challenge is how far your support goes because it is sad to see them not go to university because they do not have the money. Helping the mentees financially is not part of the programme and we make it clear to them as well but they are times when you invite a mentee for a session and they do not have money for transport and when you go to their house you realise that they have no food so you become a much bigger part of their lives. That was hard and it will continue to be so."*

He also mentions the financial challenges from a donor perspective and the increasing workload from the programme. However, being part of the programme has allowed him to grow as an individual by learning from both his peers and the beneficiaries:

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"Being involved in an organisation allows you to grow personally and gives you enough challenges to develop yourself. As I said, I look at the finances and it comes with a lot of growth and personal gratification. I am not in it for anything else or looking to gain anything."

Dumi and his team are often stretched for time and this has forced them to leverage their networks one more time and they have decided to increase the programme management team. This has not only brought new thinking and ideas but also lessened the work load.

"We have been fortunate this year because we have had more volunteers. Previously we have done things between the five of us but last year we took a decision to change this and bring more people on board. These were mentors that have shown commitment and [are] proactive. And they have brought fresh ideas and now we can plug and play in some instances because we also know what works and what doesn't."

Dumi mentions how good relationships with the schools have been pivotal to the programme's success.

"We have also built good relationships with the schools so the recruitment process has become so much easier."

In addition technology has become a positive enabler for the implementation of their interventions:

"We use a lot more technology for communication, such as Twitter, Facebook, and this has saved time. We send a message to the whole group and follow up through the schools and this saves time so much."

5.2.3   Sipho's story

Sipho is a young lady in her 20s who runs a waste-management enterprise in her community which employs three full-time staff. After a lengthy discussion with her father about the amount litter in the neighbourhood, she decided to come up with a

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solution to the problem that faced the entire community. She resigned from full-time employment to venture into the industry and begin the enterprise. She is originally from Bloemfontein and holds a bachelor's degree in finance.

> *"I was having a chat with my father one day and they we were complaining about the amount of dirt around in the Midrand area. So I did a bit of research on how to make the place cleaner and ended up starting Go-Eco Recycling which now operates mainly from Ivory Park."*

Sipho mentions how she had to learn a lot about the industry to make her dream of a cleaner community come to life.

> *"I didn't know much about the industry and basically did a lot of research about what services I could offer from a business perspective."*

Money, transportation, and human resources were key resources required to begin the enterprise:

> *"I needed the money to start the business. One of the most important parts of the business is transportation and other aspects, such as scale, bags and site to operate from. Yah, so those were important resources needed to begin. People to work were also important to begin the enterprise."*

She has received a lot of support from her father, both emotionally and financially, because the business has not broken even yet. She has also forged positive relationship with other stakeholders in the industry and this has been instrumental in the growth that she has experienced to date and has also been a source of learning for her. The community in which she operates has accepted her work and have been supportive as well.

> *"Yoh!! My dad has been very supportive both emotionally and financially. He has encouraged me a lot. My mother has also been there for me emotionally because there are so many times when I want to shut down but she often always says the right thing. I have also worked closely with an*

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> *NGO called The Glass Company and they have been very helpful and given me material resources to work with, such as bags and bins. The Ivory Park community has also been supportive and we have worked well together.*"

As a small enterprise, Sipho has faced significant challenges, such as finances, human resources, and getting large contracts to provide waste management services.

> *"I have faced a lot of challenges, such as financial management, and many times I have been in trouble financially because of this. The business has not broken even yet so it is actually very challenging."*

Sipho has also been faced with the challenge of being a small enterprise in the industry. One of these is receiving big business from large corporates.

> *"Another challenge has been getting business and acceptance from the corporates as they do not want to work with a small company which has no track record so penetrating that market has been very challenging."*

Without adequate resources and knowledge, human resources management (HRM) is a challenge faced by Sipho. She has mitigated this by consulting her mother who is a qualified HR practitioner.

> *"Employee relations have been a nightmare and this is where my mother has stepped in because she in HR and I have gone to her countless times asking for advice on how to handle employee matters. I have not had opportunities that I can think of right now through this business."*

Sipho is excited every day at the prospects of a growing business and is fulfilled by the positive impact she has made in her community over the last couple of years.

> *"More of personal fulfilment to be able to work at something and watch it grow and also realising that I have a direct impact on the community*

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around me and the lives of those that are working for me through the creation of jobs."

5.2.4 Jane's story

Jane is a pharmacist by profession and employed full time. She is married and a mother of two. Jane has been part of a social impact enterprise for the last three years and sits of the Board of Directors as well. She joined the enterprise on a voluntary basis and is a part-time social entrepreneur.

Her passion is in early childhood development and she has worked tirelessly to build and strengthen this arm with the enterprise. Due to the nature of the enterprise, Jane highlights the importance of networks as a key element to make the difference.

"I have used my networks to meet the needs of the community."

Her family has been very supportive and she has used the enterprise to educate her entire family about the needs of ordinary South Africans. She has also advocated for the enterprise at her current workplace and they have been involved in some initiatives.

The support has been very good for me. I have used the enterprise to educate my family about the needs of the less privileged and they have always been supportive. The university we are affiliated to has done so much for us. We have had an interview with a prominent radio host in the country. My workplace has also been very supportive towards this because I am always advocating as much as I can and as much as possible."

Jane is faced with two main challenges, namely funding and time dedicated to the enterprise.

"Funding has been a key challenge we are facing and we are working on instituting a more sustainable funding model for the future. Time has also been a challenge because I have to balance between my personal commitments and the organisation, but you make it work always. Another challenge has been having more hands on deck."

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However, Jane is convinced that her passion for the enterprise is enough to propel her forward:

> "When you love something, you just find the time to give and that is what I have been doing all along."

When asked what benefits she gets from being part of the enterprise, Jane mentions the satisfaction at seeing the impact made:

> "The feeling of accomplishment and giving back to the community brings a satisfaction with it."

Jane continues to give all the free time she can to the enterprise and leverage off all her networks to make a difference to the community.

5.2.5   Dave's story

Dave is a father, husband, and mechanical engineer by profession but a true social entrepreneur at heart. He is one of the founding members of an enterprise operating within Ivory Park in Johannesburg. Dave has relied on his ability to communicate as a key skill in setting up and managing the enterprise.

> "I had never been part of something like this, particularly starting it, and from an engineering background, I could not use my hard skills. I think the ability to communicate and share the vision of the organisation, particularly to my networks, has been a skill I have used."

Dave has been able to get support from the community, family, and other external stakeholders for the enterprise. Dave mentions how his networks have introduced him and the enterprise to other networks because he acts as a bridge between a community need and all other stakeholder and/or donors.

> "The GIBS staff members have been so supportive over the years by giving us so much exposure and this has expanded our networks and worked in our favour. The Ivory Park community has been very accepting of us and there hasan't been any animosity from them at all. My family has been

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> *supportive too and my kids sometimes join me when I go the township. So I have received the support I have needed from them."*

Dave has faced a number of challenges, including fundraising, marketing, and increasing the volunteer base in relation to the amount of work being done.

> *"Fundraising has been a key challenge for us because we require funds to make a difference and meet the needs of the community. We can only do something for someone if we have the funds and everything we currently do requires funds, of which we have taken from our personal pockets to date. Another challenge has been increasing the student involvement. We often do the presentations at the beginning of the year but the follow up during the course of the year is minimal and the desired outcome is not achieved, because we often need extra hands for the initiatives, even on a once-off basis. Marketing has also been an area that has not been managed well and we have decided to build a website to deal with this and make the organisation more accessible."*

Despite the challenges, Dave draws strength from the fact that he knows he is making a difference in someone's life:

> *"No one draws a salary from the organisation and knowing that I am making a difference is someone's life is rewarding. It is not always easy but seeing the needs of the people makes you realise [that] there is so much one can do - it just requires commitment. That is why it is important to be in touch with the community and seeing their needs because if we each gave R 100 per month we could alleviate poverty and help a lot of needy people."*

Dave continues to not only run the enterprise but also to seek new and innovative ways to fundraise and grow the enterprise.

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Chapter 6: INTERPRETATION OF DATA & RESEARCH RESULTS

This chapter analyses the data presented in Chapter 5 and the results of the data analysis. The interpretation of the data and results is facilitated by insights gained in the literature review and from interactions with respondents through the in-depth interviews. The purpose and objective of this analysis is to analyse the findings in light of the theory, and confirm the validity of some of the theories raised in the literature, as well as the hypotheses, through an examination of the results. The focus of this study is on the lived experiences of social entrepreneurs with the Gauteng region in South Africa. The aim of the study is to tell the story through their eyes and look into their motivations: how they started the social enterprise; the type of support needed and received, the key challenges faced, and, lastly, the benefits of being a social entrepreneur. An expectation from the study is that it will provide an insight into the sample population of different types of social entrepreneurs, both full-time and part-time.

Literature is currently not available in the public domain on the benefits of being a social entrepreneur: although literature exists concerning the benefits to beneficiaries, it does not speak to the personal benefits experienced by the social entrepreneur.

6.1   Description of the data environment and sample

The data in Chapter 5 were gathered from active social entrepreneurs in the Gauteng province. The data was collected from social entrepreneurs who are currently running a social enterprise in Gauteng. The unit of analysis was the individual. The data was centred solely on the experience of the social entrepreneur.

The enterprises studied were identified according to three main components cited by Martin & Osberg (2007) as bases for true social entrepreneurship, namely (i) subjugation of an impoverished portion of the population by an existing condition, (ii) someone noticing the imbalance and using creativity and action to help, and (iii) a new balance eventually develops and life becomes better for the formerly impoverished group as well as, often, society as a whole.

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6.2   Analysis of responses in terms of Research Questions

6.2.1   Research Question 1: What motivates the social entrepreneur?

As highlighted in the literature review (Chapter 2), the term "social entrepreneur" is often used to define individuals or groups who are chiefly motivated by the wish to produce social benefits or to create social value (Peredo & McLean, 2006). This was evident through the research, as most of the respondents were motivated by the desire to address a social need within their immediate communities. The respondents all acknowledged the need to address the problem and not wait for government intervention. This was because most of the respondents felt a deep sense of accountability and moral obligation to their communities (Miller, Grimes, McMullen & Vogus 2012). The main objective for social entrepreneurship is therefore underpinned by a social mission to create value for the broader community.

Through the research it became evident that the social entrepreneurs often created differing structures to meet the social challenges they witnessed. These included 'necessity-driven' social entrepreneurs, who were often full-time occupied in the enterprise, in comparison to those based mainly in a formal economy and were classified as part-time social entrepreneurs. Holt (2012) postulated that "the existence of 'necessity-driven' social entrepreneurs could create issues around motivation that will differ for social entrepreneurs situated in the formal economy." This was evident in the sample used for the research. In the sample population there were different types of social entrepreneurs: some of them were full-time because they have dedicated their lives to the champion a social cause; the other type was part-time social entrepreneurs who dedicate their free time to the social enterprise. The part-time social entrepreneurs often formed a team to manage and run the enterprise as a means to manage the work load. They often embarked into social entrepreneurship because of a personal desire to make a difference in the lives of the less fortunate, compared to full-time entrepreneurs who were based in the area of work and were compelled to act by the prevalence of the social ill as they witnessed it around them.

All respondents interviewed, however, demonstrated commonality of purpose, as they are all focused on mission-related impact and not wealth creation. This was confirmed by the responses recorded from the interviewees, who all stated that primary

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motivation is the social mission rather than the creation of personal wealth. Most of the respondents also felt a need to protect the vulnerable of society, such as orphans, underprivileged teens, and the elderly, and use the social enterprise a medium of impact and change. This is a confirmation of the conclusions of Dees (1998) who found that the main objective of social entrepreneurs is to drive sustainable social change and not personal wealth.

Another motivation recorded through the research was the importance of personal life experiences in shaping the social entrepreneur's understanding, of the social problems. "Personal experience often motivates, inspires, or informs the idea generation process. Not surprisingly, many successful new venture ideas arise from the entrepreneur's education, work experience, and hobbies" (Guclu et al., 2002). These authors found that this was particularly true in instances where the life experience was a common phenomenon in society, such as child-headed households: this experience sensitised the social entrepreneur to a particular social ill that eventually led to the development of the enterprise. This was confirmed in this study as most social entrepreneurs focused on addressing problems they were familiar with and had experienced. This experience was often negative and a defining moment in the respondent's life. Research by the ILO (2011) supports the findings of the research and states that social entrepreneurs often use traumatic life experiences as a basis for setting up a social enterprise.

Noruzi et al. (2010) indicate that one of the factors that have given rise to social entrepreneurship over the years is the need to fill a gap often created by market failure. Based on the data collected, the respondents realised a gap that existed in their communities due to government or society's failure to address a particular social problem. Consequently, the respondents felt compelled to come up with innovative ways to meet these needs and address the challenges around them. In the literature review, social entrepreneurship is also explained as the practice of responding to market failures with transformative and financially sustainable innovations that are primarily geared at solving social problems. The research confirms that social entrepreneurs often respond to market imperfections and provide innovative entrepreneurial solutions.

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6.2.2   Research Question 2: How did the social entrepreneur start the venture?

This research question addresses the knowledge, skills, and resources required to begin the social enterprise. Resources refer to all tangible and intangible means which are required to successfully operate the enterprise: tangible resources mainly include capital, access to capital and location; intangible resources consist of knowledge, skills and reputation, entrepreneurial orientation. Brooks (2008) identified three main resources required by a social enterprise: financial; human; and human capital resources. This begs us to consider the various elements of social capital, such as networks, trust and reciprocity, and resources. Based on the data collected, it is evident that these played a significant role in the start-up of the social enterprises studied.

It is evident that not all social entrepreneurs required a physical location to operate from. This was often determined by the type of enterprise were the full-time entrepreneurs needed space to operate (orphanages, day-care centres, multipurpose community centres). However, it was interesting to note that all the part-time entrepreneurs did not require space to operate but often worked virtually, using technology as a connector and enabler. Enterprise-specific resources were required to begin. An example of this is the scales, collection bags; human resources, transport, and protective clothing that the waste management enterprises needed to start operations. This observation contradicts most of the literature which emphasises the need for a physical location to operate from, particularly in light of the part-time social entrepreneurs.

Intangible resources, such as skills and knowledge, empower the entrepreneur to begin the enterprise in one way or another. All the respondents valued the power of information to start up. This ranged from knowledge about the industry, competitor analysis, customer/beneficiary needs, and insights received from existing entrepreneurs. Staying in touch with the latest trends was also cited as key to the knowledge contribution of the social entrepreneur. This supports the literature on entrepreneurship indicating the need for information and skills as means to begin an enterprise (Ndedi 2013).

Finally, social entrepreneurs often operate with resource-constrained environments and often have to find other means of meeting the needs of the community. Griffiths et al. (2013) highlights that social enterprises need to use strategies to mobilise resources available to them, such as collaboration with others and accessing social capital to generate value for their communities. This was evident and all respondents cited the importance of being able to leverage existing networks. The respondents also indicated the need for soft skills, such as communication, negotiation, and leadership skills, as imperative. Consequently, the social entrepreneurs have to use their soft skills to harness the power of the networks they possess for the benefit of the communities they serve.

6.2.3 Research Question 3: What kind of support did the social entrepreneur receive?

This question examined the external and internal sources of support received by the social entrepreneur. Through the research, we understand that the types of support needed often come from different sources and vary in relation to the type of enterprise. Wessels (2010) suggests that traditional business development support structures in South Africa are not geared to supporting social entrepreneurs. This was borne out by the findings of the research, which indicated a lack of proper statutory support for social entrepreneurs. Sullivan (2007) highlights the importance of larger bodies such as cities to support social entrepreneurship. This requires public and private bodies to create structures to support social entrepreneurship. Most respondents faced statutory challenges, such as being tax compliant, producing necessary financial statements, and registration problems.

Despite the various government organisations that exist, such as small enterprise development agency (SEDA) and Umsobomvu, these have failed to provide basic support to social entrepreneurs. SEDA and Umsobomvu are funding agencies operating within South Africa. They fund locally initiated enterprises operating across the country. They often work with government department to reach out to the larger populace. All full-time social entrepreneurs have faced and continue to face challenges regarding tax compliance and have failed to get the support from existing structures. These challenges can also be attributed to vague understanding of social enterprises,

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and hence these challenges are often due to fundamental and structural factors that require reform by the state.

Through this research, it was also discovered that support was received from the communities in which the enterprises operate. This resulted in acknowledgement by local government authorities or corporates because of the results achieved. This support was often in kind, with donations and support for the work being done through the enterprise. Respondents also received other forms of support, such as monetary support from friends, philanthropists, corporate companies, partner universities, local government officials, and donor agencies. It was interesting to note that some of the full-time respondents received support for their personal needs, such as bond payments, clothing, and groceries for their homes. There is no open literature that currently speaks to the community support given to social entrepreneurs or support in kind for personal upkeep.

Another interesting finding was the frequent lack of support from immediate family for the full-time social entrepreneurs. Amongst other reasons, this was attributed to stigma for those involved with HIV/AIDS initiatives and lack of acceptance for the time dedicated to the social enterprise.

6.2.4 Research Question 4: What have been the key challenges and opportunities during the start-up experience?

The respondents were asked about the challenges faced within the context of the enterprises they are currently running. The data suggest that the social entrepreneurs face myriad challenges. This is supported by various literature sources, such as that of Tracey & Phillips (2007) which states that social entrepreneurs face the same challenges as more traditional entrepreneurs in the marshalling of resources, building support for, and achieving social outcomes.

Most of the social entrepreneurs' families were affected by the large amount of time being spent at the enterprise. Particularly the children felt neglected and this put a lot of strain on their family life. A common challenge faced by many social entrepreneurs is the guilt experienced because they have chosen to take on their communities'

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challenges. Their families often vocalise their strain at absent parenting and this seems to result in some form of resentment of the work being done by the social entrepreneur. This has also resulted in the families of the respondents not providing support to them. The respondents all acknowledge this challenge but do not have a solution to the problem and are caught between the two worlds. There is no literature that speaks to this aspect of the social entrepreneur's personal life to either support or dispute this finding.

All full-time respondents interviewed experienced personal financial challenges. This is attributed to the fact that they either do not receive a salary from the enterprise or, of those that do, it is often inconsistent in value or unreliable. This has resulted in the social entrepreneurs being unable to meet their personal obligations to their families, such as providing food or making bond payments. In addition to this, they often cannot support their own personal upkeep due to the lack of financial resources. This has repeatedly led to a feeling of discouragement and fatigue for the social entrepreneur because, after solving community problems, no one seems to care for them individually. According to Jain and Ali (2013) some of these challenges are commonly faced by the average entrepreneur the personal financial challenges faced by those that choose to take risks and start an enterprise.

Another challenge highlighted by the respondents was the start-up capital to fund the enterprise. All the respondents had to start with minimal capital investment. The ILO 2011 study highlights challenges faced by social enterprises, including their inability to meet the funding criteria, lack of proper understanding of what social enterprises are, and lack of sufficient documentation. Respondents who tried to get funding from external sources, such as banks and funding agencies, failed to show commercial viability of the enterprise. This further confirms the observation by the ILO (2011) that many social enterprises are faced inadequate capital for start-up; inaccessibility of the relevant financial products and the inability to comply with minimum financing requirements due to inadequately prepared business ideas and poorly compiled business plans.

Both the full- and part-time social entrepreneurs experienced an inability to balance social and commercial objectives. Balancing this "double bottom line" is a challenge

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because the needs of the community often outweigh the desire of the enterprise to be sustainable and prove viability. Tracey & Phillips (2007) indicated that social entrepreneurs fail to manage this bottom line because they often engage in a variety of unrelated activities to meet the needs of the community and this often means they cannot measure or predict their financial wellness.

Inadequate human resources for daily operations is a common challenge across both the part-time and full-time social enterprises. The respondents experienced this through the inability to recruit skilled human resources due to the lack of financial resources and the actual daily management of existing human resources. The data indicate that the respondents were inexperienced at human resource management and they were faced with this task as founders of the enterprise. This forced them to become knowledgeable about the legal requirements of staffing and hiring in order to make sound decisions.

A further challenge amongst the part-time social entrepreneurs was the ability to dedicate enough time to the social enterprise, as they have to balance full-time employment and family responsibilities with the time dedicated to the social enterprise. As the social enterprise achieves improved sustainability, the demand for the services offered grows, and this places a greater demand on their time. This is mitigated by recruiting more volunteers and using technology to ease the workload. Technology is often used for communication without physically meeting with stakeholders or beneficiaries.

6.2.5   Research Question 5: What benefits has the social entrepreneur received in the process?

The final research question sought to understand the personal benefits accrued, as perceived by the social entrepreneurs. Both part-time and full-time respondents indicated that they have peace of mind and fulfilment because of the work they do. These come from witnessing the positive effects of their input into the lives of the less fortunate and weaker in society. The social entrepreneurs also feel encouraged by this and find strength to continue in the work they are doing.

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All the full-time social entrepreneurs mentioned that they are celebrated by various stakeholders, such as government, beneficiaries, friends, but mainly the communities in which they operate. They have become community heroes and go-to persons when there is a need to be addressed. In addition to this, they have become community leaders and are often called upon for advice and counsel on community development matters. This celebration by various stakeholders is a source of inspiration because they often feel discouraged because the nature of their work has minimal tangible rewards. The respondents also find comfort in the joy they bring to the lives of the beneficiaries. They feel inspired when a beneficiary of their work vocalises their gratitude and lives a much better life, particularly those that run centres dealing with teenagers. The respondents highlighted how a despondent teen walks through their doors as a stranger and leaves as part of a larger family because they have walked a journey of restoration together.

Some of the respondents also mentioned the material benefits they have received through the enterprises. Though these are minimal and inconsistent, some social entrepreneurs have enjoyed small benefits along the way. These have also come in the form of financial awards and they have often shared this with the enterprise. Some of the respondents mentioned how they are able to support their families with the little that they get from the enterprise. It is significant to note that, in a country like South Africa, some of these social entrepreneurs could be in the positions of their beneficiaries but, because they chose to make a difference, this has positively changed their lives in one way or another. The benefits must henceforth be understood in this light, with the understanding that the social entrepreneurs did not actively seek personal wealth.

Most respondents also mentioned the personal growth that has come through their experiences. Some have been pushed to read more, which has contributed to their personal growth. Through the various experiences, particularly being required to start up the enterprise and manage it, they have learnt new skills such as human resources, financial management, just to mention a few. The experience of growing an enterprise in the midst of limited resources has sharpened these social entrepreneurs as they often carry the burden of the community on their shoulders. All the full-time respondents displayed a common characteristic of resilience in the face of the challenges. Despite having a team of volunteers or employees to assist, they

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acknowledge their role as the founders and when there is no money they go without a salary for months on end. The respondents mention how they often forget themselves because they are focused on the needs of the community. These challenges have made them stronger, sharpened their characters, and have strengthened them both emotionally and mentally.

Another positive personal outcome mentioned by the social entrepreneurs was the boost in self-confidence that they have gained over the years. One respondent mentioned how he can now criticise the country's problems because he is indeed part of the solution. As mentioned above, most of the respondents have gone through negative life experiences that motivated them to begin the enterprise. These life experiences often left them feeling inadequate as human beings and with low self-esteem, but through the enterprise they have regained their sense of self-worth and are now regarded as leaders in their communities.

The sense of living a purposeful life was also a common thread. This motivates the social entrepreneur to live each day knowing they make a difference in someone's life. In addition, all respondents indicated how they take pride in what they do; although it is not as glamorous as some of their previous employments, they are enthusiastic about the enterprise. This was particularly true where the respondents left formal employment to pursue social entrepreneurship on a full-time basis.

Finally, all the respondents mentioned a great sense of personal pride and accomplishment, despite the challenges they have faced. They are proud of running these enterprises for over a decade and some for being serial social entrepreneurs that have failed before but did not stop trying. They are proud because they have tangible results of lives they have changed because the beneficiaries always return the 'favour' and often support the enterprise. This is particularly true for orphanages that have produced successful citizens who have not forgotten the investment of the social entrepreneur. Through the interviews, the respondents shared many such examples and stories and the sense of accomplishment was evident.

6.2.6   Summary

The data analysis and results presented in this chapter cover key findings and themes linked to the research questions. The discussion covers the motivations, challenges, resource requirements, and benefits as experienced by the twelve social entrepreneurs interviewed as part of this research. These findings are presented in light of the literature available and the observations of the researcher.

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Chapter 7: CONCLUSIONS & RECOMMENDATIONS

The purpose of this research was to build a deeper understanding of the experiences of social entrepreneurs in Gauteng, South Africa. The research findings are presented and analysed in the previous two chapters. This chapter provides highlights from these findings, provides implications for practitioners and academics, and, finally, provides recommendations for future research. The following sections give a summary of the main findings in relation to each research question.

7.1 Conclusions drawn from Research Questions

7.1.1 Research Question 1: What are the motivations of the social entrepreneur and the main objective of the social enterprise?

The motivations of the social entrepreneur are imperative because that is what often defines the social entrepreneur, compared to a typical entrepreneur. This research confirmed that social entrepreneurs are motivated primarily by a social mission, a desire to make a significant difference in the lives of the less privileged and marginalised in society. This social mission is a priority for the decisions and actions taken.

The motivations of full- and part-time social entrepreneurs varied with regards to initiating the social enterprise. Full-time social entrepreneurs were motivated by the problems that they witnessed within their immediate environment: the need was pressing and they embraced the opportunity to bring about a sustainable solution. On the other hand, part-time social entrepreneurs had a desire to make a difference in people's lives and often engaged in social entrepreneurship activities within a community different to their own according to the need.

A common characteristic of both types of social entrepreneurs was the need to balance a double bottom line of social impact and financial sustainability. The journeys of social entrepreneurs are marked with numerous challenges but also some positive moments. The social entrepreneur is motivated each time they witnessed a life positively changed through their intervention. This typically had a ripple effect and resulted in admiration by the community and those around them, such as family members, for their sacrifice

and achievements. Acknowledgment by close relatives and beneficiaries was very important for both types of social entrepreneurs. These positive experiences in their journey often become a source of encouragement when the social entrepreneur feels demotivated.

Understanding the motivations of social entrepreneurs has major implications for stakeholders, the social entrepreneurs themselves, support agencies, and government. For stakeholders such as banks, for example, the motivations are important as these underpin the purpose of the social enterprise. This calls for a different set of lending rules for social entrepreneurs, considering that they have to manage a double bottom line with their main objective being to meet the social objective. For the social entrepreneur, these findings are important in making him/her understand that the social objective is what defines him or her. Once this idea is lost, then the enterprise ceases to operate as a solid social enterprise.

Policy makers, such as government, need to ensure that policies support the main objectives of social enterprises and ensure a clear understanding from supporting agencies. This understanding of primary motivation also has implications on the structure of NGOs, particularly given that funding has reduced significantly over recent years: the social entrepreneurship model offers a new perspective of NGO operations and possibilities for operating more sustainable enterprises.

7.1.2   Research Question 2: How did the social entrepreneur start the venture?

Most social entrepreneurs resigned from full-time employment to start and run a social enterprise. This was an interesting finding, because it contradicts any belief that social entrepreneurs want to make living through the social enterprise. These social entrepreneurs resigned from well-paying jobs, such as teaching and accountancy. Despite this, the social entrepreneurs discovered that they often do not have adequate skills and knowledge required to run the enterprise, but this is a discovery they often make only once there is better understanding of the nature of the work entailed in the enterprise. This forces them to build equipped teams through recruitment either of employees or volunteers.

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Most, but not all, full-time social entrepreneurs needed a place to operate their business because they run enterprises such as orphanages or day-care centres. They often need more capital to set up the enterprise in comparison to the part-time social entrepreneurs. Some, but not all, part-time social entrepreneurs have a different operating model that entails a varied range of services or interventions offered to the community. They then operate a very low cost enterprise with minimal funds required because they use their networks to acquire the resources needed in kind and operate in a virtual space.

Finally, all social entrepreneurs consistently leverage their networks to meet the social objective. These networks are often used to get resources in kind, additional volunteers, and referrals. Networks are important for social entrepreneurs because this is how they often survive scarce to minimal financial resources. Traditional entrepreneurs also make use of networks, but more for making profit, where the networks are used for referrals to provide a profitable service or business recommendation.

Understanding how social entrepreneurs use their networks provides insight into the operating model of the social enterprise. Implications for policy makers and support agencies is the understanding that social enterprises often do not have the budget to conduct certain activities, such as marketing, due to lack of funds. This has an impact on the enterprise and affects its ability to compete in the market. Stakeholders in the enterprise also need to appreciate the use of networks by social entrepreneurs as this has a bearing on the manner in which business is done. In addition, stakeholders need to understand that the social enterprise could be as good as its networks: in a case where the networks are weak, assistance is required to strengthen this as a means of providing additional support.

7.1.3   Research Question 3: What kind of personal support did the social entrepreneur receive?

Social entrepreneurs often receive support from different sources that are closely linked to their networks. This takes various forms, depending on the need, often in kind for the enterprise and the personal upkeep of the social entrepreneur.

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Some social entrepreneurs do not receive support from their families due to the lack of understanding of the nature of the work. This is also because the social entrepreneur often chooses to meet the needs of the community before those of their families and this strains their relationship with spouses, children, and other close relatives. As a result, most full-time social entrepreneurs find it difficult to achieve good work-life balance.

A great source of support is the community. The social entrepreneurs are embraced without animosity and this makes their work much easier and gives it greater impact. This is facilitated by both formal and informal community leaders, who are well known and with a good reputation in the community, identified by the social entrepreneurs as gate keepers and who often advocate for the social enterprise. With these gate keepers as stakeholders (and/or as board members), the social entrepreneurs are able to penetrate the community more easily and implement the desired social change. It is important to note that community acceptance refers to the immediate community specifically within the reach of the social entrepreneur. However, this is not so for all social entrepreneurs, as highlighted by the research findings: some of the entrepreneurs were not original residents of the communities they targeted and this made it difficult to gain community acceptance and trust. As a result, it takes more effort from the social entrepreneur to make his/her intentions clear to the community and form alliances with influential community members.

The support received by the social entrepreneur is important and often a great source of encouragement. This has implications for key stakeholders in the enterprise and for government. Government needs to realise the need to have accessible and effective support organisations for the social enterprise, which can vary from basic services, such as loans or business coaching, to personal advice, life coaches, and personal advancement facilities such as financial management training. In addition, social entrepreneurs need to understand the importance of the different types of support and what roles they play in the development of the social enterprise. This presents an opportunity for social entrepreneurship scholars to work with policy makers and other institutions to build a better support base for social entrepreneurs in South Africa.

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7.1.4 Research Question 4: What have been the key challenges and opportunities during the start-up experience?

Social entrepreneurs face myriad challenges affecting their personal lives and the enterprise directly. A common and key challenge is the availability of finances for the management of the enterprise and for their personal lives. The availability of good financial resources has a direct correlation to the level of social impact achieved. This is because the need within impoverished communities often outweighs the assistance available and provided. Most social entrepreneurs are therefore faced with the task of meeting the various social needs coupled with ensuring the financial sustainability of the enterprise. To maintain financial sustainability, they have had to come up with innovative ways to maintain the enterprise, including the manner in which the social objective is met by the day-to-day management of the enterprise. This is not different from the traditional entrepreneurs who are faced with the same task and are forced to be innovative as a means of growth and survival in the market.

A key factor contributing to the financial woes of the social entrepreneur is that, most social entrepreneurs do not receive a salary and this affects their ability to support their families and meet their personal needs. The demand of the social needs witnessed by the social entrepreneur makes it difficult for them to draw a salary. In most cases, salaries are paid to staff but not to the founder, who is so compelled by the desire to see the social objective met that all available funds are re-invested back into the enterprise. This puts a lot of strain of their relations with their families and dependants. This is a different approach to that of traditional entrepreneurs, who prioritise making a profit and ensure that all salaries are paid, including to the founder, in one form or another. Traditional entrepreneurs consequently have a different experience and better financial reserves for their personal use.

Other challenges include daily management operations, such as employee management and beneficiary commitment. Most social entrepreneurs are faced with the task of managing all aspects of the enterprise and are often not skilled for this. Due to the lack of understanding of the importance of some core functions of the enterprise, the social entrepreneur does not pay enough attention to these. In most cases, the social entrepreneurs are so overwhelmed by the desire to meet the social mission that the enterprise operations are not well managed. The frequent lack of reciprocal

beneficiary commitment often surprised the social entrepreneurs because they assumed that the beneficiaries understood their needs. This assumption is often made in the absence of the acknowledging the fact that there could be other organisations that have tried to assist the same beneficiaries. Beneficiaries often join community programmes to get something out of them, but without the commitment to be part of the larger change that is being pursued. In this research, it emerged that all social entrepreneurs had experienced disappointment from one or more beneficiaries.

7.1.5   Research Question 5: What benefits has the social entrepreneur received in the process?

Despite the challenges faced, there are some benefits to the life of a social entrepreneur. These include, but are not limited to, being community leaders and being in a position of authority. This often motivates the social entrepreneur, as they are also celebrated by the community, sometimes families, and other stakeholders. A great sense of achievement is felt as the social entrepreneur sees and witnesses the effects of his/her intervention.

The social entrepreneur witnesses significant personal growth. Due to the demand placed on the social entrepreneur as a founder and managing member of the enterprise, he/she is often forced to read and acquire additional skill, which results in a significant growth for the social entrepreneur and also contributes to the feeling of achievement. Also, over the years, the social entrepreneur may realise some material benefits through the enterprise. These are achieved either through donations in kind by well-wishers or through financial awards won by the social entrepreneur. Although these are minimal, they are a point of inspiration for the social entrepreneur.

Material benefits to the social entrepreneur or enterprise have implications for stakeholders such as Board Members and funding agencies. Firstly, it is imperative that the social entrepreneur be very transparent with regards to even personal awards. This will give all stakeholders an appreciation of the source of the money and ensure that funding is not withdrawn.

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7.2   Contributions for future research

The above findings of this research are fundamental to understanding the life of a social entrepreneur as he/she interprets and experiences it. They shape our understanding of social entrepreneurship in South Africa, particularly in the Gauteng province. South Africa presents an interesting case study of the development of social entrepreneurship and how ordinary citizens continue to make a difference in their communities. It also brings to the fore the extent of poverty in the country, as one comes face to face with the stark reality that there are a significant number of social entrepreneurs in the country but their impact is not noticeably felt because they are so many people in poverty. This consequently builds a case in support of social entrepreneurship, not only in South Africa, but in Africa as a whole.

The findings also prompt the need to revise the statutory requirements for registration and tax of social entrepreneurship. This is important to not only define the needs of the social entrepreneur but also the types of support to be offered. Once this has been achieved, we can define how to measure the social impact within social enterprises and how this can be balanced with sufficient financial sustainability.

7.3   Recommendations for future research

Based on the research conducted on the lived experiences of social entrepreneurs, it is evident that there are some fundamental areas for future research as we continue to shape the social entrepreneurship space in South Africa. Two areas specifically identified for future research are:

i.   The need to find a suitable definition that can be widely used and nationally accepted in South Africa. This definition is needed to give clarity on who the social entrepreneurs are and what they do in South Africa. This understanding will shape our thinking and bring social entrepreneurship into mainstream economics as a viable vehicle to transform imbalanced societies and contribute towards economic growth;

ii.   The development of a national monitoring system for the different types of social entrepreneurs in South Africa. Such a system must capture details of the social entrepreneurs across the country and cluster them according to their contributions to society, thereby giving a good picture of the number

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and types of social entrepreneurs in the country. Through this, policy makers and social entrepreneurship practitioners can develop means of providing targeted support to social entrepreneurs.

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Appendix A- Atlas Code Family

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Ability to be a strong visionary

Ability to communicate vision to others

Ability to communicate with others

Ability to do marketing for the social enterprise

Ability to dream- of a better future

Ability to implement

Ability to learn from past experience

Ability to lobby volunteers

Ability to plan

Able to identify key resources needed to start the enterprise

Acknowledgement of the need for more skills

Acknowledgement of the need for other people to realise the vision

Active community members

Advocate for the weak

Assist beneficiaries to make something of their lives

Assisting the helpless

Can leverage networks

Celebrated by government and international alliances

Challenge - things did not go as planned

Challenge faced - donor pull out

Challenge faced due to lack of consistent funding

Challenge faced due to lack of consistent funding - sustainability

Changing someone's life - personal fulfilment

Communication is important

Community recognition

Confidence gained from experience as social entrepreneur

Conscious decision to make a difference

Consistent attendance from the beneficiaries - commitment

Content with achievements as SE

Conviction of vision

Decent financial management skills

Desire to help the less fortunate

Desire to live a selfless life

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Desire to make a difference

Discomfort at social ill

Discomfort at the social ill that they witness

Discontent with personal life

Emotional gain from running the enterprise

Enterprise responds to the needs of the community

Extensive knowledge about the community (surroundings and geographical area of operation)

Face financial challenges: Money is needed to support own family

Family is supportive

Financial and programme management skills required

Financial commitment-challenge

Financial management challenges faced by the SE

Funding required

Fundraising is a challenge

Gratitude shown by beneficiaries

Hands on - often very close to their work

Have received support for personal upkeep

Heightened social awareness by the individual

Intimate knowledge of beneficiaries required

Less attention paid to own children

Leverage networks

Low community acceptance

Marketing is a challenge

Material gain from running the enterprise

Motivated by desire to be economically free

Need for money to begin the enterprise

Need for space and equipment

Need for support from external stakeholders at a later stage such as government and community

Need to train employees of the social enterprise

Negative experience of growing up

Negative life experience as a parent

Networks - relied on people they knew for support

No family acceptance of enterprise

No family acceptance of enterprise - biological children

Often celebrated by the community

Passion - skills required

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Peace of mind from community work

Peace of mind from work being done

Persistent at achieving their goals and vision

Personal emotional strain

Personal gratification

Personal growth achieved due to being part of the enterprise

Personal negative life experience - as a young adult

Personal negative life experience during childhood

Personal peace knowing that SE is making a difference

Positive self-image

Proactiveness of the individual

Reliance on existing skills from previous professional experience

Realisation of a need within the community

Realisation of a social problem

Realisation of the need for finance and governance skills

Realisation that humanitarian work is not easy

Received emotional support from the community

Received formal training

Received support from friend - to source business

Received support from friends - capital injection when needed

Received support from funding agencies

Received support from funding partner - technical expertise

Received support from universities

Received support from workplace

Received support in kind from government

Resigned from income-generating profession

Resilience by the SE

Resistance from own children

Resource required - money

Resource required - people

Resources required - money needed for expansion

Risk-taking: funded social enterprise through bond

Sacrificial by nature

SE able to bring in external advice and help when needed

SE acknowledges social problem - migration

SE acknowledges the lack of adequate skills to start the enterprise

SE acknowledges the need for both technical and soft skills

SE always looks to assisting those around them

SE can advise others of setting up and running an NGO from experience

SE concerned about safety

SE content with current enterprise

SE discovery of personal strengths

SE experiences fatigue

SE families are negatively affected

SE get discouraged due to personal challenges

SE gets fulfilled by running a social enterprise

SE got an opportunity to meet and impact the lives of young people

SE had a vision for the enterprise

SE had no prior skills to run the type of enterprise

SE had to learn to deal with people

SE has a desire to make a difference

SE has a network to request help

SE has fundraising skills

SE has learnt to manage business cash flow

SE has marketing ability

SE has overcome challenges through passion

SE has prior exposure and experience to the focus of the social enterprise

SE has problem-solving ability

SE has realised economic freedom

SE has received formal training

SE has received the opportunity to confirm his desire to help others

SE has received the opportunity to shape some's future

SE has the opportunity to grow due to being consistently exposed to more information

SE has understanding of community/surroundings

SE has used prior skills - Admin PA

SE is decisive

SE is encouraged by results achieved

SE is grateful

SE is required to plan

SE lacked futuristic thinking for the enterprise

SE looking to actively fundraise

SE motivated by need to realise social change

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SE needed business management skills

SE needed decent financial management skills

SE needed financial management skills

SE needed support from experiences entrepreneurs

SE needs to have understanding of social problem - HIV/AIDS

SE often does not receive a salary

SE often starts small

SE realises the need to emulate other entrepreneurs as very helpful

SE receives personal fulfilment

SE receives support for personal upkeep

SE researched solution to social problem

SE resigned from formal employment

SE shows pro-activeness

SE uses an accommodative approach

SE works long hours

Seeks spiritual guidance

Self confidence

Self of fulfilling life beyond self-achievement

Self of fulfilment - through positive results

Sense of fulfilling life beyond self-achievement

Significant emotional intelligence

Soft skills - people skills used

Spiritual conviction about their social responsibility

Statutory challenge faced - particularly from government and legal framework

Strong leadership capability

Support from celebrities

Support from local businesses

Support from universities

Support received from - spouse

Support received from - spouse, family and siblings

Support received from an NGO

Support received from community

Support received from family

Support received from family - parents

Support received from family: mother

Support received from friends

Support received from programme partners - schools

Support received from the local church

The need for co-ordination skills

The need for communication tools

The need for programme management skills

The need to be able to manage staff - formal human resources required

Time constraint due to personal commitments

Time constraint due to personal commitments - work

Touching encounter with beneficiaries

Transportation - resource required

Unable to reach personal goals set by the SE

Understanding of people's need

Understanding of skills required by the rest of the team

Unsustainable and quick growth - challenge faced by the SE

Use of existing networks

Use of existing networks - to get resources

Use of technology within the enterprise for communication

Volunteer commitment is a challenge.

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Appendix B – Discussion Guide

Research Question 1: What motivates the social entrepreneur?

   i.   What led the social entrepreneur to start the venture?

   ii.   Why did the social entrepreneur choose to start the venture?

Research Question2: How did the social entrepreneur start the venture?

   iii.   What skills were required by the social entrepreneur to start the venture?

   iv.   What kind of knowledge was needed to start the venture?

   v.   What resources were needed to start the venture? (money; building space)

Research Question 3: What kind of support did the social entrepreneur receive and need?

   vi.   Financial support

   vii.   Emotional support

   viii.   Support from family

   ix.   Support from the community

Research Question 4: What have been the key challenges and opportunities during the start-up experience and how did the social entrepreneur overcome these?

   x.   Monetary?

   xi.   Community acceptance?

   xii.   Trust from beneficiaries (mainly in sensitive businesses such as orphanage).

Research Question 5: What benefits has the social entrepreneur received in the process and what makes him/her persist?

   xiii.   Monetary benefits.

   xiv.   Personal life fulfilment (fulfilment due to realisation of life goal and vision).

   xv.   Emotional upliftment.