

Social Value Creation Through Social Entrepreneurship: Intervening Effect Of Entrepreneurial Resilience, Education And Pro-Social Behavior

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Abstract: Drawing on the “Triple Failure” theory, current research explores the nexus of social value creation and social entrepreneurship. Triple failure theory explains that due to the non-availability of a permanent source of income, governments, non-profit organizations, and commercial markets of under-develop countries are prone to resolve social problems. Social entrepreneurs need to arise and resolve social issues through social value creation in such circumstances. Current research also studied the role of pro-social behavior and resilience of the entrepreneurs for social value. Current research engages the social entrepreneurs and enterprises to understand the phenomenon mentioned above and its mechanism. Seven hundred sixty entrepreneurs take an active part in this research from Pakistan. This research points out that social entrepreneurial intention develops the social behavior among the entrepreneurs and encourages them to work for social value creation. Entrepreneurial curiosity also plays a vital role in turning the intensions into social projects. Social entrepreneurs sometimes face difficulties due to family pressures and financial constraints, but their resilience keeps them motivated towards their objective of social value creation.

Keywords: Social Entrepreneurship; Social Value Creation; Entrepreneurial Resilience; Pro-social Behavior; Entrepreneurial Curiosity

1. Introduction

The field of entrepreneurship has benefited from other theoretical areas of research as “the garden of entrepreneurial theories was injected with ideas from many disciplines and perspectives”(Gartner, Bird, & Starr, 1992). It has helped the researchers of entrepreneurship to develop, understand and refine entrepreneurship as a field of research. As the area has emerged, it expanded to different dimensions, i.e., academic entrepreneurship, corporate entrepreneurship, social entrepreneurship. This research mainly focuses on and deals with social entrepreneurship. Through this research study, we seek to contribute to social entrepreneurship literature by enriching and empirically testing the theory that social entrepreneurship creates social welfare through social innovation, and creating social welfare is a consequence of pro-social behaviors of social entrepreneurs (Bargsted, Picon, Salazar, & Rojas, 2013).

From an entrepreneur’s perspective, social value creation is about creating social impact or bringing social change in the community by addressing social issues. Social effects include but are not limited to increasing social awareness, creating opportunities to provide socio-economic benefit, empowering individuals/societies, changing societies perception about welfare, influencing individuals attitudes, norms, and behaviors. On the other hand, “value” is perceived by the beneficiaries as getting various benefits for themselves and societies through positive change and positive impact created by social entrepreneurs. Positive impact/changes are of two types, indirect or direct; direct impact or benefits means getting the direct or instant benefit, i.e., higher income level or increased knowledge, while on the other hand, indirect effect leads towards long term benefit through developing the institutions and doing positive social interventions. Positive social interventions lead to long-term benefits as permanent sources of income build their capacities to fulfill the community/societies’ needs (Weber & Kratzer, 2013).

Positive social interventions try to fulfill different needs such as raising incomes, developing skills, providing them microfinance to start their businesses, and improving their lives by providing them with the necessities of the lives of disadvantaged individuals or groups such as single mothers, people living in slums, and disabled peoples. Bringing positive social interventions creates social value as it improves the less privileged part of society. Social entrepreneurs or social enterprises bring positive social interventions to the community. It tries to address complex social problems which are not addressed or alleviated by charities or government help (Santos, 2012). Social interventions combine business and societal practices that bring innovativeness into business and lead companies to solve social problems instead of profit-making (Martin & Osberg, 2007).

Microfinance institutes are among the best examples that bring positive interventions by providing micro-level finances to the less privileged people, i.e., single mothers, widows, divorced females, and disabled persons, to run a small business to fulfill their needs.

Microfinance institutions are one type of social enterprise. Social enterprises are “businesses that are market-driven with commercial interests and activities used to affect social and community benefits” (Dart, 2004). Social enterprises aim to share their profit with society. Social enterprises are a form of the business organization doing business to bring social change, solve social problems in innovative ways, and create social welfare. Social enterprises reinvested their profit to create social welfare. Social enterprises are of different forms and operate in different ranges, but one thing is common, it emerges in response to lack of resources and lack of facilities in communities. Lack of resources and facilities allows social enterprises to find innovative methods to solve the community problem by using sacred resources (Shaw & Carter, 2007).

Scarcity of resources leads the organizations towards common ownership, and the sharing economy concept has emerged in the last decade. The sharing economy, also known as the gig economy or peer-to-peer economy, is a form of economic market where everyone shares the products and services for a certain period, gets utility out of it, and then lets it open for someone else’s use. Sharing economy provides favorable conditions to develop an innovative solution to solve the societal problem. Sharing economy ignites the individuals and social enterprises to take an active part in social value creation for the less privileged position of the society. Social entrepreneurship or social enterprises have pro-social behaviors as the purpose of economic and social activities is not limited to the individuals. It belongs to the community, and social entrepreneurs and enterprises tend to co-create economic and social value (Igwe, Icha-Ituma, & Madichie, 2018).

Social value creation is a recent social, economic, and business research topic. This topic is also of interest to social entrepreneurs and social enterprises indulged in profit-making or economic activities. However, the purpose of the activities is not to maximize profit but to create social values—the social value created by social entrepreneurs and social enterprises ignited by the entrepreneurs' pro-social behavior. While creating value for society, entrepreneurs and social enterprises sometimes feel disappointed or less motivated when they cannot achieve their goals. Entrepreneurial resilience is the mechanism that helps them to regain their energies and to fight crises (Williams, Gruber, Sutcliffe, Shepherd, & Zhao, 2017).

Entrepreneurs need to be curious to engage with the world around them entirely. When things are not working as well as possible, entrepreneurs must understand how things work and develop solutions. Finding these solutions requires curiosity, which prompts them to study problems from multiple angles and get better results. This active state of mind leads to the discovery of new ideas. Curiosity also opens the mind to new possibilities. Fostering interest means no longer being satisfied with taking ideas at face value; curious people want to uncover the truth for themselves (Jeraj, Maric, Todorovic, & Cudanov, 2015). Current

research aims to explain the process of social value created by social entrepreneurs in light of pro-social behaviors, entrepreneurial curiosity, and entrepreneurial resilience.

1.1. Research Objectives

- The main objective of this research is to investigate the role of social entrepreneurs in the process of social value creation.
- Another objective of this research is to investigate that pro-social behavior ignites entrepreneurs to create social value.
- The third objective is to investigate that does curiosity ignite the process of social value creation
- The fourth objective is to test the role of resilience in social value created by social entrepreneurs.

2. Literature Review

The early literature of entrepreneurship mainly focused solely on the economy and economic outcomes of entrepreneurship. Economics growth was the leading focus of entrepreneurship. Over the last decades, entrepreneurship has expanded its scope as a field of research. As a field of study, entrepreneurship expanded into different fields, like corporate entrepreneurship, academic entrepreneurship, and social entrepreneurship. This research deals with one aspect of entrepreneurship which is social entrepreneurship. Social entrepreneurship deals with fulfilling social needs. The main aim of social entrepreneurs is to solve social problems and solve the social issues people need to generate some economic activities. The main objective of these economic activities is not to earn profit or generate wealth (Cole, 1999; Schumpeter & Backhaus, 2003). This research fundamentally deals with the social value creation process to handle these social problems prevailing in society.

Later literature describes entrepreneurship as a socio-economic process in which social value is created by taking help from economic activities (Jack, Dodd, & Anderson, 2008; Steyaert & Katz, 2004). Social values creation is defined by (Certo & Miller, 2008) as “social value has little to do with wealth creation but instead with the fulfillment of basic and long-standing needs such as providing food, water, shelter, Curiosity, and medical services to those members of society who are in need.”

Petrella and Richez-Battesti (2014) defines social value creation as “the sum of the value added to all members of society minus the value for all resources used.” From an entrepreneur’s perspective, social value-creating is about creating social impact or bringing social change in the community by addressing social issues. Social effects include but are not limited to increasing social awareness, creating opportunities to provide socio-economic

benefit, empowering individuals/societies, changing societies perception about welfare, influencing individuals attitudes, norms, and behaviors (Barr, 2007).

On the other hand, “value” is perceived by the beneficiaries as getting various benefits for themselves and societies through positive change and positive impact created by social entrepreneurs. Positive impact/changes are of two types, indirect or direct; direct impact or benefits means getting the direct or instant benefit, i.e., higher income level or increased knowledge, while on the other hand, indirect effect leads towards long term benefit through developing the institutions and doing positive social interventions. Social value is not the economic utility of the value. Economic value and social value have different utility measures, and managing the utility of social value is difficult because its impact is multiplying. (Bowman & Ambrosini, 2000) summarize different perspectives regarding value into two categories. One of them is value in use which is defined as “subjected by customers, based upon their perception of the usefulness of the product on offer,” and the second type is value in exchange, which is “the amount paid by the buyer to the producer for the perceived use value.”

3. Hypothesis Development

Market failure theory explains that enterprises/organizations with a core purpose of profit-making usually do not participate or participate in dealing with social problems and do not work for public goods. Although profit-seeking enterprises claim that they are working for poverty reduction, providing employment, and a green environment under the “social corporate responsibility” program, they are still solving social problems is not their core business. People believed that business organizations could not solve social problems for a long time, so governments and non-profit organizations solved social problems (Salamon, 1987).

However, the major issue with both government and non-profit organizations is that they do not have a permanent source of income with the help of which they can provide public goods and social services. Due to the non-availability of permanent sources of income, governments, non-profit organizations, and commercial markets of many less developed countries like Pakistan fail to resolve social problems, also known as “Triple Failure” in the literature. To break the “Triple Failure” phenomenon, all the stakeholders, i.e., profit-seeking enterprises, non-profit organizations, and government sectors, need to collaborate and break their organizational boundaries. The last two decades of research have highlighted this synergetic development orientation, and many organizations have changed their ways of doing business. Many social enterprises came into existence with a primary focus on the common good, solving social problems, and resolving the permanent income issue; they have a side business. They are involved in earning, and then they reinvest all the making into

social value creation. Given the circumstances, this research examines social entrepreneurship and social value creation (Sjåfjell, 2017; Valentinov, 2008).

3.1. Social Value Creation and Social Entrepreneurship

“Entrepreneurship is the dynamic process of creating incremental wealth. This wealth is created by individuals who assume the major risks regarding equity, time, and career commitment of providing value for some product or service. The product or service itself may or may not be new or unique, but the entrepreneur must somehow infuse value by securing and allocating the necessary skills and resources”(Carland, Carland, Hoy, & Carland, 2002). The definition undertaken for the study does not limit entrepreneurship with innovation or new business creation; instead, it is a long way process, and value creation is vital at every stage/step of the process. Entrepreneurship research usually takes this “value” as economic value or economic growth. Nevertheless, this value is economical/financial, but value can also be measured and discussed socially.

Value in social terms is “an umbrella term for these broader effects and organizations which make a conscious effort to ensure that these effects are positive can be seen as adding social value by contributing to the long-term wellbeing and resilience of individuals, communities, and society; in general.” Social entrepreneurs/Social Enterprises try to find such business opportunities, which helps the enterprises create better social value for their clients, groups of people, and society. Social entrepreneurship offers innovative solutions to gain excellent value by using lesser resources. Social entrepreneurship/enterprises are ideal for supplementing government, non-profit organizations, and organizations taking part incorporate social responsibilities. It provides “triple failure” solutions by bringing social change and creating social value, leading to sustainable development (DE VRIES, 2018; Lyons, 2013).

H1: Social Entrepreneurship has a significant positive role in social value creation.

3.2. Social Entrepreneurship, Pro-social Behavior, and Social Value Creation

Motivation is an essential factor in the advancement of entrepreneurship (Collins, Hanges, & Locke, 2004, p. 96). Motivation is one of the outcomes of behavior to be an entrepreneur, especially in fulfillment, efficacy, and satisfaction. These are constant universal motives (Urban, 2007, p. 87). The need for self-achievement is a first-ranked motive (Cromie, 1987, p. 252; Osowska, Kapasi, & Jackman, p. 7) without gender discrimination; it is inspired by males and females equally all over the world (Orhan & Scott, 2001, p. 232). Social entrepreneurs/enterprises with high motivation to resolve social problems can perform better by utilizing their resources and minimizing the hurdles with their skills (Collins et al., 2004, p. 102).

Pro-social behavior is a psychological state that helps entrepreneurs create social value and resolve social problems by adopting innovative social ways to achieve results by utilizing minimum resources. The push/pull model (Sarri & Trihopoulou, 2005) is used to identify the different motivations why social entrepreneurs start a business. Push factors are more concerned with the essentials as dismissal, unemployment, recession, financial reasons, being unhappy with the job, or the need to accommodate jobs and roles of the house at the same time. At the same time, pull factors are associated with a motive of accomplishment, societal growth, non-financial means of doing business, self-realization, social position, and pro-social behavior (Orhan & Scott, 2001, p. 233). Pro-social behavior was defined by (Grant, 2008) as “the individual desire to exert efforts to benefit others.” Pro-social behavior focuses on humanitarian efforts of helping others by resolving social problems and creating social value. Helping someone in one situation or certain circumstances is not a sustainable solution. While creating social value may include providing the society with a permanent source of income or its development through which they can make their lifestyle better. Social entrepreneurship/ enterprise is one form of pro-social behavior in which individuals and organizations try to resolve the social problem and develop sustainable solutions (Grimes, McMullen, Vogus, & Miller, 2013).

This research attempts to scrutinize the nexus among social entrepreneurs and social value creation. The said relationship is also studied theoretically and empirically examined; we would like to extend the literature by explaining how social entrepreneurs' pro-social behavior leads them towards resolving social problems and social value creation. Some scholars try to answer such questions by bringing compassion and resilience into social entrepreneurship literature, and both these phenomena are a by-product of behavior. So this research tries to examine how pro-social behavior leads social entrepreneurs to create social value. Social value creation is one of the main concerns of social entrepreneurs because they want to bring a sustainable solution. Although “value” is a subjective phenomenon that everyone understands from their perspective, this research takes value in bringing sustainable solutions to those societal problems that the government has not addressed, profit-making, and non-profit seeking enterprises (Korsgaard & Anderson, 2011).

H2: Pro-Social Behavior mediates the relationship of Social Entrepreneurship and Social Value Creation.

3.3. Entrepreneurial Resilience

Many individuals have entrepreneurial intentions and are willing to start their businesses, but they quit because of cultural and social pressures (Fernández-Serrano & Romero, 2014). Quitting can never be a solution to problems. Quitting is injustice with passion and intentions. One has to bounce back to the challenges being faced by them.

However, bouncing back needs much more intention, courage, and passion. Bouncing back means the entrepreneur has to be more resilient to the turbulent environment (Bullough, Renko, & Myatt, 2014a). From the psychology perspective, it is always challenging to understand the individual's behavior, especially planned behavior. An individual can bounce back to the pressures at any time. It will be challenging to judge that when s/he is reverting. However, entrepreneurs bounce back to the pressure and challenges imposed by social and cultural factors, process of reverting or bouncing back is known as Resilience (Huggins & Thompson, 2015). The ability to persevere and bounce back from adversity is a crucial indicator of a successful entrepreneur. As they say, "what does not kill you makes you stronger" (Korber & McNaughton, 2018).

4. Methods and Materials

Following positivism research philosophy, the current study explores the projected hypotheses using quantitative techniques.

4.1. Sample and Procedure

This research study was conducted with social enterprises and entrepreneurs due to its significant contribution to gross domestic product, employment, and exports. Social enterprises and social entrepreneurs were contacted from the Punjab province with significant proliferation in Faisalabad, Sialkot, and Lahore for data collection. Following Krejcie and Morgan's (1970) sampling technique, 900 self-administered questionnaires were distributed among employees. Out of 900 distributed questionnaires, 760 duly filled useable questionnaires were received, further used for data analysis.

4.2. Analytical Technique

Structural equation modeling (SEM) was used because of its benefits over conventional multivariate analytical methods (Haenlein & Kaplan, 2004). The limitation of existing approaches (e.g., multiple linear regression analysis) for analyzing causal relationships has made SEM a substantial alternative. Even though multiple regression can accommodate various variables, it lacks specifying their relationship. However, unlike regression analysis, SEM can simultaneously accommodate multiple analytical situations of a variable (i.e., dependent and independent) (Awang, 2011; Hoyle, 2012). SEM integrates and generalizes two statistical approaches, i.e., factor analysis and regression analysis. It merges an econometric focus on prediction with a psychometric perspective on measurement, employing multiple observed variables as latent or unobserved construct indicators. Hence, SEM uses regional factor analysis, usually known as confirmatory factor analysis (CFA). Substantially, CFA casts an exclusive focus on the relationship between latent variables and their items. The traditional factor analysis model called the exploratory factor analysis (EFA)

has a significant drawback in that it drives an infinite number of estimated factor scores from the parameters (factor loadings and uniqueness) (SchÖnemann & Steiger, 1978). It also features the uniqueness to be uncorrelated.

Keeping in view these limitations, the SEM models latent variables in a relatively flexible, statistically defensible manner allowing a wide array of models that cannot be evaluated through EFA. Additionally, issues of construct measurement and the structural relationships among the constructs are simultaneously handled by this approach. Specifically, a partial least square (PLS) analytical technique was used. This analytical technique is primarily employed for causal predictive investigations, which have validated high complexity states but less theoretical knowledge (Henseler & Chin, 2010). Therefore, PLS is an appropriate method to establish the theory (Wold, 1980) or test its initial phase (Fornell & Bookstein, 1982). SEM is also suggested to analyze the mediation (Cheung, 2007), as sufficient research has estimated such relationships employing PLS (Zeng, Zhang, Fang, Wu, & Huang, 2018). Thus, PLS 3.2.8 was used to test direct and indirect hypotheses and the goodness of fit.

5. Results

SEM technique was used for analysis in a two-stage method, as per the guidelines (Hair Jr, Hult, Ringle, & Sarstedt, 2016). In the first step, measurement was analyzed for validity and reliability. Structural relationships were assessed in the second stage. This section may be divided into subheadings. It should provide a concise and precise description of the experimental results, their interpretation, and the experimental conclusions that can be drawn.

5.1. Measurement Model

In assessing the measurement model, the first step is to check the factor loading of the indicator to ascertain the convergent validity of the construct following the recommendations of (Hair Jr et al., 2016). Factor loading of 0.70 is regarded as satisfactory; however, factor loading between 0.40 and 0.70 is acceptable. It is recommended that items with outer loading less than 0.4 should not be included in the analysis; however, items with factor loading between 0.40 and 0.69 can be retained if the average value extracted (AVE) and composite reliability are more significant than the threshold level of 0.50. If AVE is greater than 0.50 with factor loading between 0.4 and 0.69, then those items should be retained for the sake of content validity (Hair, Ringle, & Sarstedt, 2011). Therefore, items having factor loading between 0.40 and 0.69 were retained in our model because the AVE and composite reliability were more significant than the threshold level of 0.50, as shown in Figure-1 and Table-1. To further authenticate the convergent validity, AVE was assessed. Strong convergent validity is established if the indicator reliability and AVE are more significant than

0.50 (Hair Jr et al., 2016). As shown in table-1 below that convergent validity is well established.

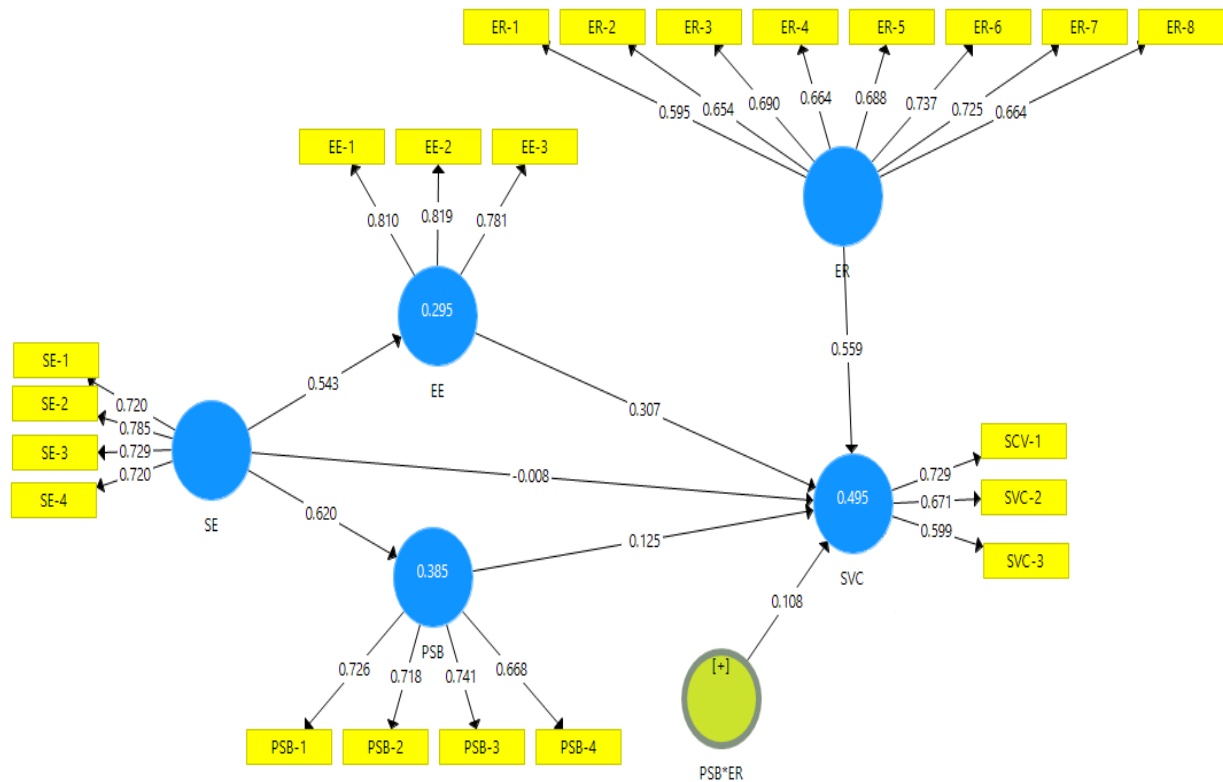


Figure 1 Measurement Model

It is recommended to assess internal consistency reliability after establishing the convergent validity. Three measures were used to assess internal consistency reliability, i.e., calculated Cronbach’s Alpha (Peters, 2018), rho_A (Bahoo, Nasim, Shaheen, & Javed, 2020), and Composite reliability (Al-Qadheeb et al., 2019). However, (Wong & Yeh, 2019) believes that Cronbach’s Alpha has significant statistical shortcomings as it assumes that all indicators have identical factor loading on the construct, and it is recommended to calculate rho_A and Composite reliability besides Cronbach’s Alpha. Table-1 shows that Cronbach’s Alpha, rho_A, and Composite reliability (CR) are within 0.60 to 0.90, which is an acceptable limit(Hair Jr et al., 2016).

Table-1: Internal Consistency Reliability

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Entrepreneurial Education	0.726	0.728	0.845	0.646

Entrepreneurial Resilience	0.832	0.831	0.872	0.501
Pro-Social Behavior	0.679	0.679	0.806	0.51
Social Entrepreneurship	0.723	0.725	0.828	0.546
Social Value Creation	0.725	0.726	0.813	0.517

Discriminant validity was assessed for the measurement model after establishing internal consistency reliability using Fornell Larcker Criterion and HTMT (Hetero Trait-Mono Trait Ratio) as recommended by (Cole, 1999). (Ab Hamid, Sami, & Sidek, 2017) recommend HTMT in the case of PLS-SEM as it has more statistical power and is superior to the Fornell-Larcker criterion to assess discriminant validity. The table-2 shows Fornell-Larcker and HTMT calculations for the measurement model. All values are within the acceptable limit; hence, discriminant validity is established for the measurement model.

Table-2: Discriminant Validity

	Fornell Larcker					HTMT			
	EE	ER	PSB	SE	SVC	EE	ER	PSB	SE
Entrepreneurial Education (EE)	0.80 4								
Entrepreneurial Resilience (ER)	0.53 9	0.67 9				0.69 1			
Pro-Social Behavior (PSB)	0.62 4	0.42 4	0.71 4			0.88 3	0.56 6		
Social Entrepreneurship (SE)	0.54 3	0.42 9	0.62 9	0.73 9		0.74 7	0.55 3	0.88 5	
Social Value Creation (SVC)	0.51 3	0.65 3	0.26 7	0.30 4	0.649	0.69 9	0.82 8	0.37 6	0.41 1

5.2. Structure Model

In the first step, R^2 was calculated for each latent variable to ascertain the in-sample prediction power of the model. R^2 is the coefficient of determinant that indicates how much variance in a variable is due to the independent variables linked to it in a structural model (Hair Joseph, Risher Jeffrey, Sarstedt, & Ringle Christian, 2019). Recommended threshold values for R^2 are 0.19 (weak), 0.33 (moderately strong) and 0.67 (substantially strong) (Kock, 2014). All R^2 values in the present study except for INTRA (0.17) were substantially strong. R^2 values ranging from 0 to 0.13 are considered non-significant, from 0.14 to 0.26 is considered tangent, and from 0.27 and above is considered significant. Both the criteria of (Chin, 1998) and (Nakagawa, 2004) show excellent in-sample prediction power of the

structural model of the study. Evaluation of Table-3 (R^2 calculation) indicates that 49.5% variance in social value creation is explained by the other variables linked to it in the model, i.e., entrepreneurial education, pro-social behavior, and social entrepreneurship collectively. Furthermore, social entrepreneurship explains 29.5% and 38.5% variance in entrepreneurial education and pro-social behavior respectively.

It is also recommended to evaluate the change in R^2 when a specified exogenous construct is omitted from the structural model and evaluate whether the omitted construct significantly impacts the endogenous construct. This change in R^2 is referred to as effect size or f^2 (Hair Joseph et al., 2019). f^2 value of 0.02 represents small, 0.15 represents medium, and 0.35 represents the significant effect of exogenous constructs. All of the f^2 or effect size values except (social entrepreneurship to social value creation) showed significant effect size. Entrepreneurial education and pro-social behavior have 0.094 and 0.025 effect sizes on social value creation, respectively. Similarly, social entrepreneurship has 0.418 effects on entrepreneurial education, 0.625 on pro-social behavior, and almost negligible effect size on social value creation.

Moreover, for indication of out-of-sample prediction power of structural model assessment, Q^2 Square was also calculated through blindfolding. “In PLS-SEM, Q^2 value of greater than zero for a specific endogenous reflective construct indicates path model’s predictive relevance for a particular dependent construct, and when the structural model shows predictive relevance, it accurately predicts data not used in model estimation” (Stone, 1974). Q^2 is not a definitive measure of the out-of-sample prediction power of the structural model, but in reality, it combines aspects of in-sample explanatory power and out-of-sample prediction of the structural model (Hair Joseph et al., 2019). As a rule of thumb, Q^2 value above zero, 0.25, and 0.5 shows small, medium, and considerable predictive relevance. The present study showed a small out-of-sample predictive power, which is also considerable with 0.18, 0.184, and 0.189 for entrepreneurial education, pro-social behavior, and social value creation.

Table-3: R square, F Square, and Q Square

	R Square	f Square			Q ²
		EE	PSB	SVC	
EE	0.295			0.094	0.18
PSB	0.385			0.025	0.184
SVC	0.495				0.189
SE		0.418	0.625	0	

The accurate and definite assessment of out-of-sample prediction capability of the model with the name of PLS predicts (Shmueli et al., 2019). The model under study showed a large out of sample predictive power and relevance (table-4), as PLS-SEM (RMSE) is < LM (RMSE) for all of the indicators for specified target construct (i.e., SVC in the current study).

Table-4: Results of PLS Predict

	PLS		LM	PLS (RMSE)-LM(RMSE)
	RMSE	Q ² _predict	RMSE	
SCV-1	1.232	0.242	1.238	-0.006
SVC-2	1.165	0.16	1.184	-0.019
SVC-3	1.247	0.103	1.254	-0.007

5.3. Hypothesis testing

Path coefficients (hypothesized relationships) and their significance through bootstrapping were tested after checking for collinearity issues and model strength and quality, following the guidelines. In the present study, all of the hypothesized direct relationships (except SE->SVC) were relevant and significant.

Table-5: Results of Direct Relationship

	path coefficient	T value	P Value	2.50%	97.50%	Sig	Hypothesis	Result
SE -> EE	0.543	12.153	0	0.445	0.621	Yes	H1	Supported
SE -> PSB	0.62	15.4	0	0.528	0.689	Yes	H2	Supported
SE -> SVC	-0.008	0.151	0.88	-0.108	0.089	No	H3	Not Supported

5.4. Mediation Analysis

Bootstrapping technique was used (Hair Joseph et al., 2019; Sobel, 1982). Furthermore, all the mediations in the model were verified together, instead of testing them independently as recommended by (Preacher & Hayes, 2008; Zhao, Lynch Jr, & Chen, 2010).

Table-6: Results of Mediation Analysis

	Indirect	t value	P Value	95% CI	Sig	Direct Effect	t value	p value	95% CI	Sig	Mediation
SE -> EE -> SVC	0.167	4.977	0	[0.107-0.237]	Yes	-0.008	0.151	0.88	[-0.108-0.089]	No	Full Mediation
SE -> PSB -> SVC	-0.077	2.224	0.026	[-0.145-(-0.008)]	Yes	-0.008	0.151	0.88	[-0.108-0.089]	No	Full Mediation

5.5. Moderation Analysis

The researcher hypothesized that entrepreneurial resilience moderates the relationship between pro-social behavior and social value creation. To check the moderation effect of entrepreneurial resilience, we followed the guidelines for moderation analysis (Hair Jr et al., 2016). We introduce moderation by inserting an interaction term with the name PSB*ER and checking the relationship between pro-social behavior and social value creation. It was found that after the introduction of the interaction term relationship between pro-social behavior and social value creation was 0.125, and the interaction effect was 0.108. The significance and effect size of the interaction term (PSB*ER) was also calculated, and it was found that the effect size or f^2 of the interaction term is 0.031 at a significance level of $p < 0.05$. It means that ER significantly moderates the relationship between PSB and SVC, visible by the interaction term's effect size, path coefficient, and significance level (PSB*ER). It means that the main effect between PSB and SVC is 0.125 at an average level of ER. However, this main effect will increase to 0.233 (0.125+0.108) if the effect of ER is increased by one standard deviation and will reduce to 0.017(0.125-0.108) if the effect of ER is decreased by one standard deviation.

Table-7: Results of Moderation Analysis

	Path coefficient	t value	p value	95% confidence interval	f Square value	Sig p<0.05	Hypothesis	Result
PSB*ER ->								
Social Value Creation	0.108	2.847	0.004	[0.032-0.183]	0.031	0.000	H7	Supported

6. Discussion

SMEs include entrepreneurs, small businesses, and medium-sized enterprises operating in Pakistan. Literature highlights the importance of entrepreneurship and SMEs in addressing social issues (lal Rohra, Junejo, & Kanasro, 2009). Researchers are always searching for the practical outcome of entrepreneurial activities, which can only be measured if these activities turn into successful businesses. Results of the research revealed that success is a subjective phenomenon. Everyone has their success criteria, but some common factors that the previous researchers identified. The interplay of these factors helps entrepreneurs reach success (Makhbul & Hasun, 2011; Thapa, Thulaseedharan, Goswami, & Joshi, 2008). Current research has studied and empirically tested the most important factors (based on the literature) which lead an entrepreneur towards success. One of the factors is an individual's pro-social

behavior towards society; the second is in entrepreneurial education, and the most important is resilience. These factors play a significant role in creating social welfare through social entrepreneur's success. Results of the currently study reveals that entrepreneurial education and pro-social behavior are mediating the relationship between social entrepreneurial activities and social value creation. It also highlights the moderating role of entrepreneurial resilience. Results of the current study are strengthening the view point of the previous researchers', i.e. (Arend, 2013; Ayala & Manzano, 2014; Bullough, Renko, & Myatt, 2014b; Fisher, Maritz, & Lobo, 2016; Miller, Grimes, McMullen, & Vogus, 2012).

An important role is being played by entrepreneurial education or knowledge in turning social entrepreneurial activities into social welfare through value creation. Because without proper knowledge and proper education on how to explore and utilize these entrepreneurial opportunities, one cannot benefit from these opportunities. One might have pro-social behavior and is resilient but cannot explore and utilize the opportunities without proper education and knowledge. So it is the knowledge that enhances the chances of one's success. The current study also revealed that entrepreneurial educations play a mediating role in the relationship between social entrepreneurship and social value creation, and it complies with (Kolstad & Wiig, 2015; Solomon & Matlay, 2008). Results also revealed that resilience does moderate the relationship between pro-social behavior and social value creation in current settings.

Finding this research will benefit s both the theory of entrepreneurship and the practical aspect of entrepreneurship. Current research has come up with some exciting findings. It will help future researchers work on these dimensions and explore the reasons behind these findings. It will also help the policymakers design favorable policies to develop the culture of entrepreneurship.

6.1. Implication

6.1.1. Theoretical Implications

The primary motivation to start businesses by entrepreneurs was "to fulfill aspirations." It supports the McClelland theory of need for achievement. The result shows that entrepreneurs' leading cause of business startup was pull factors. Pull factors are associated with the goals of self-achievement (Orhan & Scott, 2001). As the findings revealed that most entrepreneurs had started their businesses out of their passions and interest, they wanted to fulfill their aspirations by following their dreams and goals. Empirical evidence from the current study also contributed to the literature on entrepreneurship. A unique interplay of the variables has been discussed in the current study to transform an entrepreneurial event into a successful business.

The current study draws inferences from reasoned action, planned behavior theory, and expert information processing theory. Empirical shreds of evidence predict that these theories are robust and can be tested and utilized in every situation. Current research also has some exciting findings that are not in line with the previously available literature and theories. The researcher can further extend this study and model to study why risk-taking behavior did not work in current settings. This research also highlights that personal traits and intrinsic motivation are the most critical factors in becoming an entrepreneur; upcoming researchers can study these factors in detail. Research may extend this study to a longitudinal time to investigate the entrepreneurial motivations of entrepreneurs over a more extended period.

6.1.2. Practical Implications

Entrepreneurship can be promoted productively at the university level by creating an entrepreneurial environment in universities. If universities want to do so, university policymakers become aware of the entrepreneurial needs of the students. They must re-evaluate their policies, curriculum, and teaching style, in short, the overall environment of the university. There is a need to overcome the gap between the old teaching style and new vistas of learning. It is of unique significance for policymakers to foster entrepreneurial activities among university students by introducing entrepreneurship courses, entrepreneurship research projects, and entrepreneurship clubs so that the entrepreneurial skills of potential entrepreneurs may be polished. Entrepreneurship clubs elaborate such arrangements as a center to facilitate female business students conducting and performing almost all activities linked with entrepreneurial skills. It is also essential for universities to reveal the participation of entrepreneurs in socio-economic development, for example, through introducing awareness programs about successful entrepreneurs. In this regard, this research may be helpful for university policymakers to understand the entrepreneurial level of female business students and their perceptions about the role of universities in promoting entrepreneurial intentions among students, specifically female business students.

Another beneficiary of the current study is our potential students. Introduction to entrepreneurship, deep literature of the study, statistical analysis, recommendations, and suggestions are essential for university students to improve their entrepreneurial knowledge. Students can make a good decision in selecting universities if they want to get admission in entrepreneurial programs of study. With the help of valuable study recommendations, students can realize the importance of practical knowledge and theoretical practices. If they select such universities offering only theoretical knowledge, they may get practical exposure to entrepreneurship. Government and university policymakers should focus on policies to produce more proactive, entrepreneurially oriented, entrepreneurially skilled, and creative students who will become potential entrepreneurs to launch their businesses and perform their economic development roles very well. Role of the education is significant “The illiterate of

the future are not those that cannot read or write; they are those that cannot learn, unlearn, and relearn” (Toffler, 1974).

7. Conclusion

Current research proposes and empirically tests a new model to study social value creation through social entrepreneurship. This study brings a unique combination of the constructs which play an essential role in creating social welfare through social value creation. The current study has empirically tested the phenomenon by combining unique variables. The model proposed and tested by the current study is unique because it studied both types of factors that can influence social value creation. It studied internal/personality-related factors such as entrepreneurial resilience, pro-social behaviors, and external factors as entrepreneurial education.

Most researchers have taken entrepreneurial intention as the proxy variable of entrepreneurship as suggested by the theory of reason action and theory of planned behavior. Current research brings an argument that entrepreneurship should be measured through the actual entrepreneurial activities occurring in a particular geographical area. In literature occurrence of actual entrepreneurial activity is known as an entrepreneurial event. Successful events can create social value to address the social needs that the governments and other supporting agencies do not address. Empirical shreds of evidence clearly show that social entrepreneurship and pro-social behavior mainly contribute to social value creation. Entrepreneurial events occur fast, but according to GEM, 90% of these events only remain, and they did not flourish. The current study proposes and empirically tests resilience in transforming these entrepreneurial events into successful business ventures. Resilience is an individual’s capability to stand in a tough time and bounce back from a crisis. Crises happen to everyone, but only those can survive, flourish, and excel in the businesses fighting with the difficult times. Moreover, only those who can survive and succeed in the business have the passion for doing something for themselves and society. Pro-social behavior is directly linked with the mind, and it results in kindness and open-heartedness towards all humankind, especially towards their society.

Current research also proposed and empirically tested that education is the most crucial factor that plays a critical role in an entrepreneur's success. Education waters the seed of shaping attitudes, skills, and cultures. It provides knowledge on stabilizing and growing businesses and skills to start a new business. Effective education tests universities’ roles to promote entrepreneurial intentions and, ultimately, entrepreneurial skills and behavior. To raise a positive image and produce a good reflection of entrepreneurship in front of students is fundamental because only business knowledge is not enough to initiate a business venture;

instead, a positive image about entrepreneurship is essential, which should be the primary function of universities to promote social entrepreneurial mindset.

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