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Social Entrepreneurship, A New Approach in Business

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ABSTRACT: The social entrepreneurship term is used for to refer to the rapid growth of organizations which suggest models based on human needs for efficiency in existing markets and institutions which have failed to satisfy them. Social entrepreneurship offers an attitude that may be incentive for acceptable social strategies and sustainable ideas for business and organizational forms, because of its contribution which is directly recognized to the objectives of sustainable development in the international level. Social entrepreneurship may encourage created companies to take a greater social responsibility. Social entrepreneurship, developing innovative solutions to address social problems and mobilizing ideas, capacities and resources are social provisions for social change. The purpose of this study is studying various models of social entrepreneurship to develop innovative plans in business. Methods: The present research has used library method and data has been collected by searching electronic academic databases and the Internet. Results and findings: Evaluation of some policies in leading countries in the field of social entrepreneurship, helps development of regulatory supporting policies of the social entrepreneurship in Iran. Since the efforts of government and humanitarian actions cannot fully meet the expectations of the community, and the social sector entities are not fully functional and effective therefore, social entrepreneurs are needed for the development of new models and methods to solve social problems in the new century. Social entrepreneurs are those who identify social problems and use entrepreneurial principles to organize and manage the activities that will be used for social changes. Different authors have different definitions of business. As well as establishing financial support centers, national and regional planning of social entrepreneurship, reforming laws and administrative structures, establishing supportive counseling centers, evaluation and revision of social entrepreneurship development policies will have a significant impact.

KEYWORDS: Social Entrepreneurship, Entrepreneurship, Entrepreneurial Behavior, Business.

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1. INTRODUCTION

According to our religious thoughts one of the most important indicators of a moral and human society is the equal opportunity and even positive discrimination in favor of social groups which have been deprived genetically or unwanted as a result of uneven and unilaterally developmental programs. On the other hand, today's societies have been robust and dynamic based on innovation, new ideas and creating productive capacity in economic, social and cultural terms. Entrepreneur individuals have undue influence on the growth and dynamism of today's societies and to prepare the ground for these, indicators of development can be explained in different dimensions. However, social entrepreneurship is a concept that forces all groups of society to participate in the process of social value and in a social movement creates an ambitious society, balanced by creating equal opportunities. (Ahmadpur Dariani, Mahmoud, 2014).

Social entrepreneurship is a type of entrepreneurship that has been discussed for several years in the academic community and meets obsolete social needs in the community by entrepreneurial approach. While it is nearly one hundred years that concept of entrepreneurship is discussed in the world, but the literature of this phenomenon is hardly over 20 years in Iran, so it is obvious that social entrepreneurship literature which is fresh and new in the world arguments is weak and poor in Iran. However, the concept of social entrepreneurship refers to generality of the society but its concept evokes various things in the minds of people of the community (Arasti,Zahra 2012).

For the first time in Iran, Dr. Mahmoud Ahmadpur Dariani in an article titled ((entrepreneurial values, a new concept in economic development)) identified a type of entrepreneur with the perfect belief used their legitimate income and their firm to fill social gaps. He believed that, valuable entrepreneur will grow in the context of family that the charity, helping the orphans and the poor are at the top of his actual beliefs. For the first time, he mentioned Hossein Ali Hamedanian, Hamedanian charity institute, as valuable (value) entrepreneur (Ahmadpur Dariani, 1999).

Sayyed M. Moghimi picked up the second step in 2004, in production and development of literature of the social entrepreneurship concept. He identified and evaluated a kind of entrepreneurial approach in his research on corporate entrepreneurship in NGOs, Which mentioned him as a social entrepreneur. Since then despite the country's government and the scientific community have paid special attention to the entrepreneurship category but a few research and effective activities have been done to develop the literature of this concept (Saber, 2009, p. 4).

The use of terms: both social entrepreneurship and social entrepreneurs, are relatively new in Iran and in the international atmosphere but its roots are old because it is associated with the process of human social needs and entrepreneurial incentives to meet these needs. However, this phenomenon has lasted for a long time to be identified and studied and its literature be presented. Social entrepreneurship term is prevalent in developing organizations that seek to meet the basic needs of humans so that, ensuring these needs by business organizations and the private sector is not possible (Bacillus and Meier, 2006). Therefore, each definition of social entrepreneurship should be as an alternative to economic and business approach which entrepreneurs are searching. David Prensky (2005) considered social entrepreneurship as a process that organizations design new programs to solve social problems. In this definition, combination of respond, innovation and change factors must be considered. Social entrepreneurs play the role of agents of change in the social sector, this role is fulfilled by Mission to create and sustain social value (not just economic value), recognized and continually seeking new opportunities to protect this mission, involving a continuous process of innovation, flexibility and learning, working without being limited to accessible resources and accountability for the actions taken and the results (Deez, 2000: p. 17; Davis, 2002, 9). This paper by studying various aspects of social entrepreneurship is going to answer the following questions: what is Social entrepreneurship? What are its features and specifications?



2. LITERATURE REVIEW

For the first time "Joseph Schumpeter" used Entrepreneurs with the current concept. This economist, who was called the father of entrepreneurship, believed that when economic growth and development of a system will happen that some people try to be innovative by taking risks so in this case the working methods and new solutions replace old inefficient ways. Social entrepreneurship for the first time was used in the literature of social change between 1960 and 1970. For example, this term was used as a description of the activities of Robert Owen, one of the most prominent social reformers and founder of the social theory of socialism and the cooperative movement in 1972(Nicholls, 2006).

The use of the term social entrepreneurship and social entrepreneur was expanded between 1980 and 1990 by the activities of the Bill Drayton, founder of Ashoka Foundation, innovation for all and Charles Leadbirt. In the 1950s and 1990s, Michael Young led promoting economic institutions with social purposes or social institutions and organization and he had significant role in the formation and development of the concept of social entrepreneurship. Over time, this concept has attracted the attention of the international scientific community and it could penetrate among the academics adequately to the extent that the activities of Professor Daniel Bell in 1980 were described and analyzed as the most successful entrepreneurs in the social institutions in the world, at Harvard University. He had effective role in the creation of 60 new organizations around the world, which include a set of social entrepreneurship schools in Britain. In 2006, the concept of social entrepreneurship could show a good example of itself in the form of a successful bank called ((Grameen Bank)). This bank, which was established by Muhammad Yunus, a prominent professor of economics in Bangladesh, granted loans to the poor and received the Nobel Peace Prize in 2006.

Another Social entrepreneur was the Lord Andrew Mason. Andrew Mason could gain a special aristocratic position in 2007 because of his activities. He established Bromley by Bow center in Eastern London city in South Africa and documented his experiences in the book entitled "social entrepreneurs, building working communities".

Although the use of words social entrepreneur and social entrepreneurship is relatively new, but the method and manner of their activities have old root. Because it is associated with the process of removing human social needs, but it took a long time to identify and study this phenomenon and produce its literature. Social entrepreneurs are not born today and yesterday and a brief survey in history, especially the rich history of Islam and Iran, reveals many examples of social entrepreneurship. Preparing a list of prominent and historical celebrities is an evidence to support this claim: Florence Nightingale, the founder of the first nursing school and developer of modern nursing practices, Rabt oven, founder of the cooperative movement, Vinv Bobby Hepo founder of the ground gift of India, Muhammad Yunus, founder of Grameen Bank in Bangladesh, Imam Musa Sadr in Lebanon, the founder of Imam Musa Sadr institutions, Hamedanian brothers Hamedanian charity organizers, Mahdi Ibrahim Dariani, Shahid Hashemi Nejad Dedicator, MR Hakim Zadeh founder of the Kahrizak Charity Foundation(KCF), M. Kashani, founder of the cultural community helpers, Fatima Daneshvar founder of Mehrafarin charity foundation and Seede Ghods, the founder of the Mahak charity foundation, are the sample of these celebrities. (Ahmadpur Dariani, Mahmoud, 2014).

Social entrepreneurship is a new area in the field of literature of ((entrepreneurship)) and ((marketing in non-profit institutions)) and ((management and non-profit non-governmental organizations)). A review of the literature suggests that researchers have to types of views toward this literature. At first glance, the researchers believe that the literature in this area is still fragmented and torn apart and there are not necessary adherence and integrity in its framework. According to Deez, social entrepreneurship contains a variety of meanings. And Shane and Nakatarmen believe that, social entrepreneurship like entrepreneurship, is still faced with the lack of a unified paradigm. They believe the concept of social entrepreneurship is a young concept and has



short-life in the published academic literature. According to him, the concept of current social entrepreneurship has failed and cannot investigate unique features of social entrepreneurs and the field that they often fulfill their activities.

But in the second view another group of researchers believe that the study of social entrepreneurship has shown that this concept of is a focus of scientific and academic study and its history is relatively large. Review of the literature in the field of social entrepreneurship shows that many researchers have worked on issues, trends and areas of social entrepreneurship in the range of economic activities, education, research, welfare as well as social and spiritual activities which are handled in different organizations in various forms.

According to Sullivan (2002), this scope of various activities is the result of efforts of researchers to conceptualize social entrepreneurship structure in various fields including the public sector, social organizations, social action organizations and charities. Shaker Zahra, admits that the concept of social entrepreneurship is a complex concept and its results should be considered in the economic and social dimensions.

Mir and Marti had done a research on the meaning and definition of social entrepreneurship. In general, they considered social entrepreneurship as a process that includes the use and innovative combination of resources to pursue opportunities to be a catalyst for social change or considers social needs. They acknowledged that the definition of an entrepreneurial phenomenon is hardly able to display all of its features. They showed three general assumption about social entrepreneurship:

1. Social entrepreneurship is the process of value creation using a combination of sources with new methods.
2. From the beginning, the purpose of this combination of resources is discovery and exploitation of opportunities for value creation through stimulating social change or coping with social needs.
3. When the social entrepreneurship is considered as a process, includes providing products and services to the community, while it can be attributed to the creation of a new organization.

3. THE DEFINITIONS OF SOCIAL ENTREPRENEURSHIP

Leadbiter (1997), social entrepreneurship is the use of entrepreneurial behavior for social purposes and not for profit purposes. In social entrepreneurship, profits which obtained from market activities, is used to benefit specific groups with difficulty or disability.

Tak Vezdak (1997), the driving force of social entrepreneurs, is their demand for social justice. They are looking for the direct bridge between their activities and improve the quality of life of people who work with them, and those who want to serve them. They want to find a solution which is financially, organizationally, socially and environmentally sustainable.

Deez (1998), the goal of social entrepreneurs is playing a role ((agents of change)) in the social sector by 5 solutions,

1. Adoption of a mission to create and sustain social value (not the private value)
2. Detection and prosecution of serious new opportunities and put them at the service of the taken mission.
3. Involvement in the innovation process and continuing education.
4. Daring activity without being limited to resources already available.

5. View high responsibility towards the target group and produced outputs.

Leriz (1999) (Kellogg Foundation), Social entrepreneurs create social value through innovation and the use of financial resources for social and economic development of their societies. Fowler (2000), Social entrepreneurship is creating developmental structures, relationships, institutions, organizations and socio-economic activities that lead to efficiency and stabilizing of social benefits. Brinker Hoff (2001), social entrepreneurs are constantly looking for new ways to provide services to their audiences and create added value for available services. Mort, Virvardena and Carnegie (2003), Social entrepreneurship is a type of entrepreneurship that leads to the establishment of new social institutions and initiatives that are ongoing. Social entrepreneurship is a multidimensional structure, including the expression full of virtue entrepreneurial behavior to achieve social mission. Social entrepreneurship is the ability to recognize opportunities of social values and have the key characteristics of the innovative decision making with risk taking.

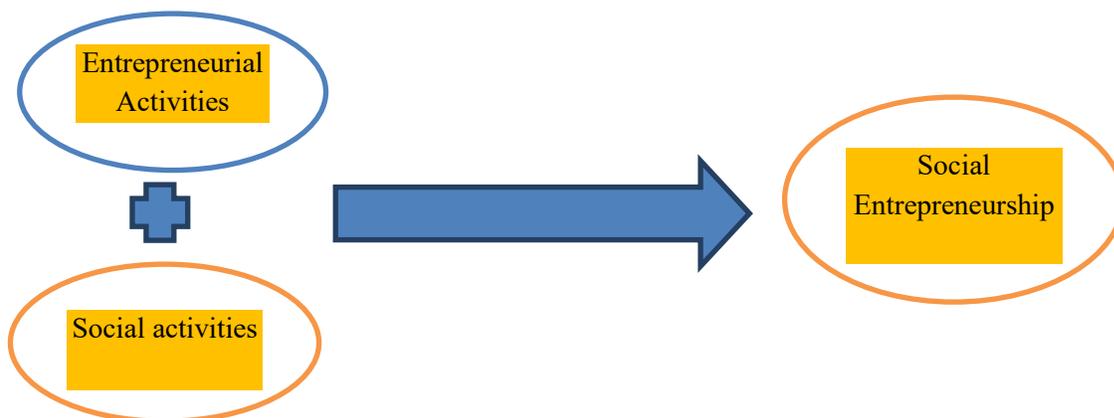
William Dryton (2002), the founder of Ashoka Foundation, social entrepreneurs, is a major change agent, someone whom his main values focus on identifying and solving social problem.

ALford Brown Volt (2004), Social entrepreneurship is creating innovative solutions for social problems and mobilizes the necessary ideas, capacities, resources and social provisions for social change. Harding (2004), the motivation of social entrepreneurs and stimulating factor of the formation of new forms of activity or business venture, are social purposes.

Shaw (2004), Social entrepreneurship is the work of public and voluntary agencies, a community as well as private firms, which work for social purposes and their activities are solely for purposes not profit.

Schwab Foundation (2005), Using practical approaches, innovative and sustainable services for the benefit of society in general, with an emphasis on those who are marginalized and poor. Mahmoud Ahmad Pur Dariani (1399), (value entrepreneurship) is a kind of entrepreneurial thinking based on moral values and active entrepreneurs who spend their legitimate income and social enterprises in order to fill the social gaps.

Mahmoud Ahmadpur Dariani (2007), 1. The social entrepreneur is the one who create social and economic value, through the employment of Schumpeterian creative destruction cycle. 2. The social entrepreneur is someone who has a new idea and by establishing a social business (private, public and voluntary and non-profit sectors) an mobilizing various sources and social and financial risks, offers new social services to the society, Which leads to the creation of economic and social value. - Social entrepreneurship is a process which by employing Schumpeterian creative destruction and innovative cycle, offers new social services to the society through creating a social business (private, public, voluntary and non-profit sectors) by mobilizing various sources of financial and social risks and creating social and economic value.



4. SOCIAL ENTREPRENEURSHIP: FEATURES AND FUNCTIONS

Social entrepreneurship may be realized as civil institutions, non-governmental organizations, foundations, non-profit organizations, individuals, civic groups, international agencies and donors, public and private sectors, government and institutional mechanisms within the framework of collaborative and multi-institutional relations due to institutional and structural appearance (see Figure 2).

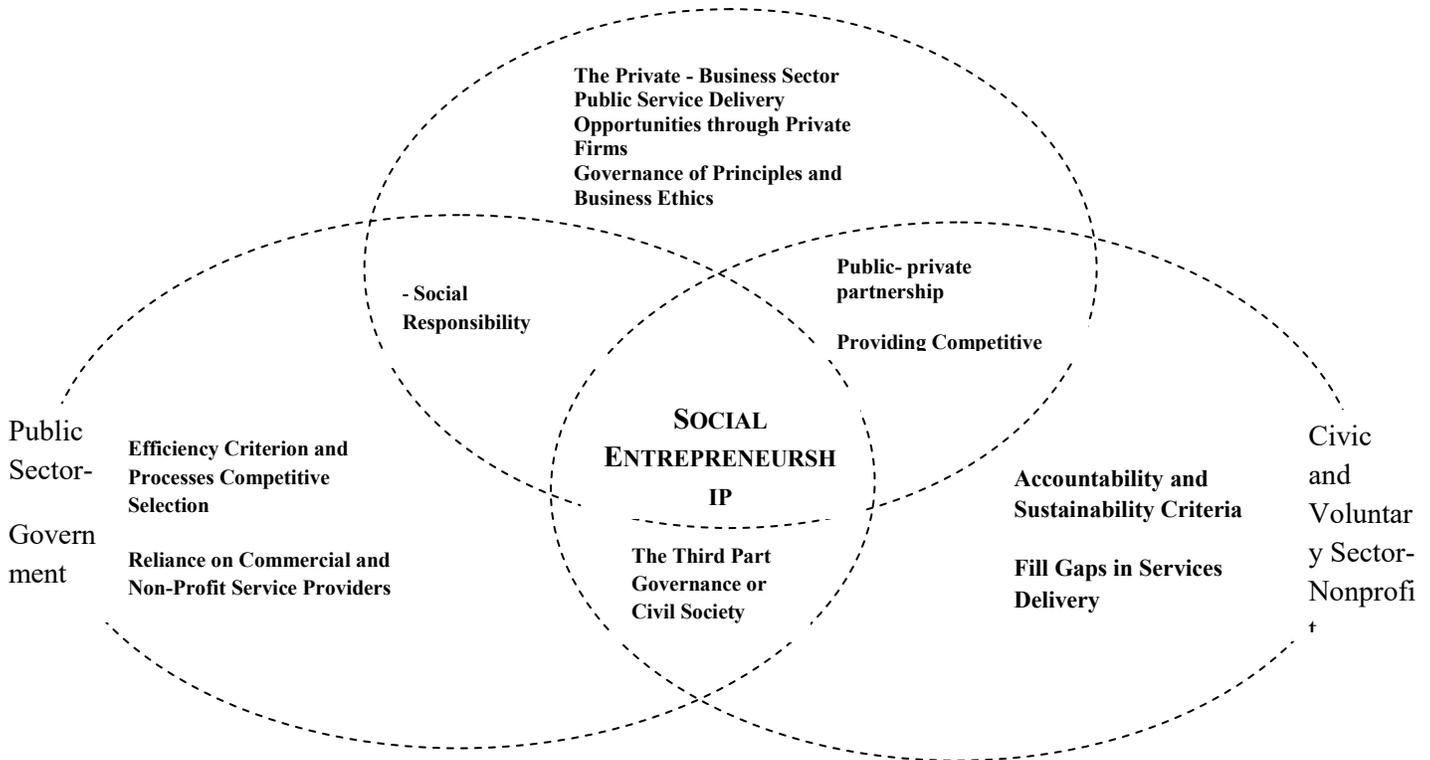


Figure 2: Multiple institutional arrangements to promote social entrepreneurship
(Encyclopedia of entrepreneurship, Volume 2, 2009, the Institute of Labor and Social Security)

In modern societies, all members of society try to promote and improve the lives of humans to use their accumulated wealth to empower people to become productive human resources. This will be achieved by promoting entrepreneurship and accelerating it. In this context, more than ever the world needs businesses which are familiar with the needs of today's economy and society.

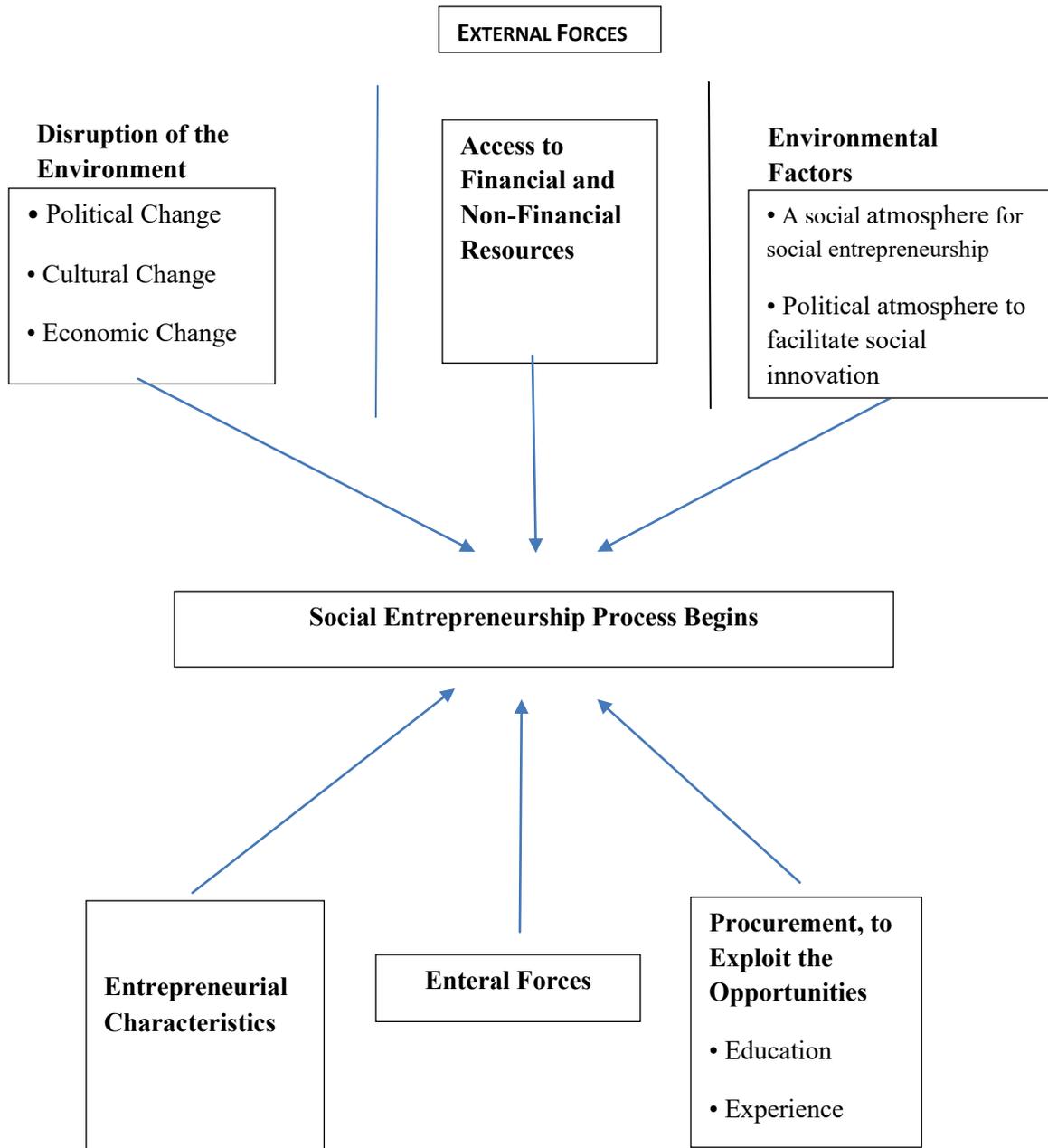
Social entrepreneurship as means to accelerate the process of social development needs those who identify social needs and change social issues and unmet needs to current opportunities and create social value by their skills and innovation. The important distinction between entrepreneurs with others is that Social entrepreneurs, have the explicit social mission in their mind and their main purpose is making a better world. Social entrepreneurship is a new concept, but it is not a new phenomenon. Social entrepreneurs can be found throughout the history. According to the researchers, certain mutations gave rise to social entrepreneurship activities, which include: A) slow delivery of social services and products that increases unmet needs, B) the imbalance in income distribution in developing countries and underdeveloped countries, and C) an increase in competition between non-profit sector to obtain financial assistance and relief.



However, like other concepts of entrepreneurship, social entrepreneurship has a long history in the field of economy, but nowadays it is used increasingly to solve social problems. Social entrepreneurship includes innovative activities that bring value to the community and is trying to solve social problems. Hence the debate on social and economic development of communities, plays an important role. One of the major categories of social entrepreneurship is its view about the values and religious thinking. Social entrepreneurs try to develop innovative programs to help to improve the livelihoods of those who are unemployed and are facing with lack of financial strength. Social entrepreneurs are those who identify social and entrepreneurial principles to organize and manage the activities that cause social changes, while economic entrepreneurs, evaluate their performance with profit and return of investment indicators, Social entrepreneurs, assess their success by effective factors and their impact on society (Teroran, 2007).



Forces Affecting Social Entrepreneurship



5. TYPES OF SOCIAL ENTREPRENEURSHIP

Social entrepreneurship is divided into three categories:

- A) Unified social entrepreneurship: each economic activity which is designed clearly to create positive social achievements on the basis of values and social needs, is called integrated social entrepreneurship.



- B) Social entrepreneurship redistribution: Each Economic activity which is done in the non-profit organization or institution to use the capabilities and opportunities to reduce costs or increase revenues and diversification of them.
- C) Complementary social entrepreneurship: If a non-profit organization or institution, formally establish a new sector for its economic activities to provide the non-profit sector costs from its benefits, has been Engaged in the Complementary social entrepreneurship.

Building social capital; Social entrepreneurship products are four types of investment that can be threatened or created by or entrepreneurship and entrepreneurs, they include:

- 1) Financial capital shows wealth creation which is the result of a business profit.
- 2) Social capital shows community resources that are typically the result of social entrepreneurship.
- 3) Art capital shows more intangible things which make human life More lively and full of energy and create a sense of satisfaction.

6. SOCIAL ENTREPRENEURSHIP AND SOCIAL DEVELOPMENT

It has been a while since the concept of entrepreneurship in the context of high-risk businesses has drawn a considerable amount of attention and is being used increasingly to solve social problems (Deez, 1998; Catford, 1998). Finding effective and sustainable solutions for many social issues is one of the important challenges. These solutions may need successful innovations in establishing businesses. Organization for Economic Co-operation and Development (OECD) has also noted that, nowadays, governments have developed a good understanding of the contribution of social entrepreneurship to poverty alleviation and empowerment of the underprivileged. Many countries are implementing specialized entrepreneurship plans in order to help their audience groups. Enough care must be taken in developing such plans so that they are compatible with the process of support programs for this audience (OECD, 2004).

The key to sustainable development is the clarification of effective and sustainable methods to improve the capacity of developing countries so that they can solve their problems on their own. Capacity building is a comprehensive, multi-dimensional, continuous, gradual and evolutionary process. In the meantime, social entrepreneurship is an effective strategy in strengthening economic and social development based on innovation. However, crisis management of chronic problems in health, education, economy, poverty, etc. requires fundamental changes in political, social and economic systems. In general, entrepreneurship is setting up and managing successful, growing and lasting businesses, which can often be seen in the context of an appropriate entrepreneurial environment for the sustainability of businesses. In contrast, social entrepreneurship is organized in line with social changes, within social dynamics and with the aim of harm reduction through entrepreneurial action. Social entrepreneurship is an up-and-coming field, especially among non-profit organizations such as NGOs, high-risk social activities and development of businesses that contribute to social development (Moghimi, 2003).

Although the concept of social entrepreneurship is relatively new, initiatives that take advantage of entrepreneurial abilities to solve social problems have a long history (Alvord et al., 2004: pp. 260-282). Initiatives have been made, especially on issues related to poverty and empowerment of marginalized populations, which has led to the overall improvement in the lives of thousands of people all around the world and caused economic growth in accordance with the conditions of the underprivileged. It should be noted that in most cases of social action, practical applications of



social entrepreneurship are superior to the theories related to this issue. The concept of entrepreneurship has a long history in establishing, developing and managing businesses. Social entrepreneurship is, to some extent, compatible with other forms of entrepreneurship in terms of procedures. Developing a new idea or extending an old one, reviewing the ideas and preparing a business plan, marketing planning and exploring the opportunities are the stages to the process of social entrepreneurship with an approach to business development. Furthermore, gaining an insight to the needs and opportunities, synchronizing thoughts and ideas with opportunities, acquiring the necessary skills and resources and, finally, purposeful implementation are considered to be the major steps to social entrepreneurship. The basic understanding of entrepreneurship is creating value through innovation (Sharif Zadeh et al 2007). The concept of entrepreneurship can take on different meanings when used in social discussions. For instance, some have focused on the concept of entrepreneurship as “a combination of businesses along with social effects”. In this view, entrepreneurs have used the skills and knowledge of business in order to establish businesses which are not only commercially sustainable but also contributive to achievement of social objectives and local development (Catford, 1998). Non-profit organizations may apply for subsidies and use them to create jobs or income in order to achieve their social objectives. They may give away part of their profit or organize their activities in a way so that they can achieve social objectives. In these initiatives, organizations make use of the resources gained from successful economic activities to promote and maintain their social activities. Some others have focused on the meaning of social entrepreneurship as “innovation for social outcomes”. In this view, attention is directed toward those innovations and relations which lead to outcomes that will solve social problems. Here, often relatively little attention is paid to the economic sustainability of the business (Deez, 1998).

Social entrepreneurs move toward pursuing social damage and facing social crises and challenges. They make innovations, establish new social relations, and make use of their resources in response to social damage instead of reacting to the marketing and commercial criteria (Ashoka, 2000). In this view, social entrepreneurs not only need immediate problem understanding and solutions, they also need to understand the bigger social system and its interdependencies. The resulting understanding leads to new plans that will cause increasing changes in line with the establishment and sustainability of changing social relations. Sustainable social changes will cause both innovations for social outcomes and continuous flow of resources that make up the two viewpoints of social entrepreneurship. Moreover, these changes lead to fundamental changes in the social context in which social issues are placed (Alvord et al., 2004). From this viewpoint, social entrepreneurship is a kind of social crisis management.

7. SOCIAL BUSINESS

The term *social business* has been coined and made popular by the speaker and Nobel Peace Prize winner, Muhammad Yunus. This founder of the Grameen Bank has authored the book *creating a World without Poverty: Social Business and the Future of Capitalism*. According to Muhammad Yunus, a social business is a company with no dividends and no losses which is planned and formed in order to fulfill social objectives in a fully regulated market. These businesses are quite different from non-profit organizations, because they, like other businesses, are seeking a minimum profit so that they can make use of it to develop the company and improve its goods and services or use it as an aid for fulfilling their social missions. In fact, a more general definition of social business is also available. Based on this definition, any business in which the social objectives are superior to its economic ones can be considered a social business.

One of the questions here is what the difference is between an economic business and a social business? To answer this question, the following framework can be used. Every organization is formed with a specific goals in mind and has stakeholders who try to achieve these goals using their organizational strategies:



Social objectives over economic objectives – in an economic business, the goal of the organization is profit maximization for the investors. Members of the board and other managers try to develop strategies that lead to increased sales, increased revenue and, ultimately, increased annual dividend per share. In a social organization, however, the goals are improvement of society, human welfare and environment. Thus, a social business is an organization that makes use of commercial strategies in a way that leads to the improvement of human welfare and environment instead of maximizing the profit for its outside stakeholders. A social business distinguishes itself from classic profit maximization models by having goals that lead to the improvement of the society. Activities toward reducing poverty, malnutrition and illiteracy are some of these goals. A social business is a company without losses and without dividends to shareholders, which is established based on certain social objectives. A social business is not a charity, as it has a similar structure to that of an economic one, and, just like an economic business, functions in a context where cost effects, profit margins and other factors have come together to help its financial independence and sustainability, while charities do not have these characteristics.

Anyway, it should be noted that a social business does not regularly seek profit maximization as its main objective is not to increase investment but to improve the welfare of the underprivileged. Once the social business reaches financial sustainability, the investors take back the money they had invested and do not receive any dividends (Yunus, 2006).

Client rather than customer – in a social business, the term *client* is used instead of *customer*. That is because the activists in a social business consider themselves the advocates of their target group, which is generally the vulnerable group, and try to improve the welfare of this population through the formal and innovative activities of the social organization.

A social organization is a business that is run by an organization with a social mentality and point of view. An institute, on the other hand, is a group trying to perform standardized tasks. In this sense, schools, colleges and universities are considered to be institutes. According to Ogburn and Nimkoff, a social institute is an organization that has great sustainability and is responsible for certain social functions.

It is also interesting to note that a social organization or institute is founded and run by humanitarian assistance and governmental funds while a social business is self-sufficient.

Muhammad Yunus has pointed out two types of social businesses in his book:

1. The first type of social business focuses on providing goods or services having certain social, ethical and environmental goals and ideals in mind.
2. The second type of social business pertains profitable businesses which belong to the poor or the other underprivileged populations. These groups gain profit either directly or indirectly from the dividends of this type of business.

According to Muhammad Yunus's definition, although Grameen Bank can be categorized as the first type of social organization, it is more similar to the second type. From Muhammad Yunus's viewpoint, there are seven important principles every business should follow in order to be categorized as a social business:

1. The goal of the business must be to overcome poverty or one of the problems (regarding education, health, access to technology and environment) that threaten the people and the society and not to maximize the profit.
2. It should be economically or financially sustainable.
3. Investors take back the amount they had invested and receive no profit.
4. Once the invested money is repaid, the profit remains within the company in order to expand and improve the company.
5. It should be environment-friendly.
6. The work force receives better pay than the market norm.



7. Everybody enjoys their job (Yunus, 2006).

8. ELEMENTS OF SOCIAL ENTREPRENEURSHIP

Examining the provided definitions of the term social entrepreneurship showed us that the following elements are common in all of them: **Social mission, Innovation, Measurable effects, Social entrepreneurship.**

Social entrepreneurship is based on understanding of social issues and using the principles of entrepreneurship for solving real issues in order to advance profitable social changes. Hence, social entrepreneurs play the role of social change-makers. In fact, social entrepreneurship is some kind of problem-solving cycle with an entrepreneurial approach. The stages of this process is as follows (Bloom, 2006):

1. Identifying issues and opportunities related to existing problems in the social context;
2. Developing strategic viewpoints and operational missions to solve problems using the existing opportunities innovatively;
3. Developing an innovative plan;
4. Estimating and supplying resources and assets;
5. Structuralizing for a flexible management and leadership;
6. Identifying, consulting and attracting the cooperation of partners and stakeholders;
7. Developing strategies for financing the organization based on appropriate financial and operational models;
8. Implementing the model along with monitoring, evaluation and feedback for future improvements of the process.

Deez has also listed the following as the elements of social entrepreneurship:

Elements of social entrepreneurship from Deez's viewpoint (Deez, 2001):

1. Playing the role of the agent of change and reform in the society;
2. Accepting the mission to establish and stabilize social values;
3. Having determination and perseverance in identifying and pursuing new opportunities in order to fulfill social missions;
4. Using the continuous process of innovation, adaptation and learning;
5. Having bold activism without being limited to available resources;
6. Having social commitment and a high sense of accountability and responsibility to the relevant institutions and their outcomes.

Therefore, the closer people are to these notions, the more qualified they are to be named social entrepreneurs.

In terms of achievement, social entrepreneurship can be considered an effective mechanism for the facilitation of social development, realization of society's ideals through social missions, expansion of values and creation of social capital (Born Stein, 1998). Whereas the performance of entrepreneurs in the economic field is evaluated based on visible markers such as profit and return on capital, the success of the process of social entrepreneurship depends on its achievements and outcomes for the society.

Social entrepreneurship, which is based on social participation, networking, collaboration and assistance in solving social problems, plays an important role in building social capital (Ali Miri, 2006). Given the role social entrepreneurship can play in strengthening the civil society (Henton, 1997), it can be named civil entrepreneurship as well. According to Bayes, social entrepreneurship

is expected to lead to change and reformation of social services in order to achieve social values using the following mechanisms:

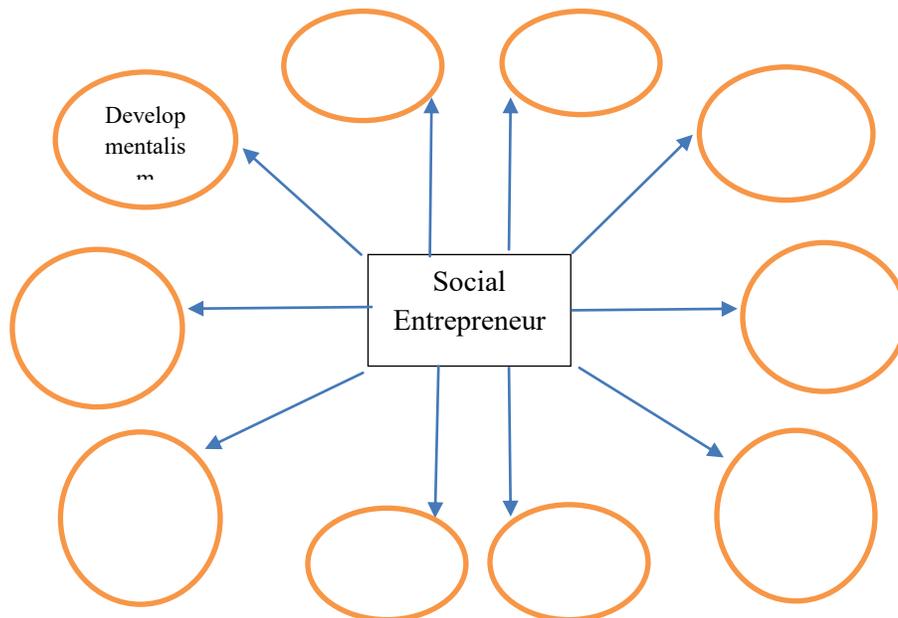
1. Explaining and defining new processes in the field of services, productions or unique operational procedures associated with innovation;
2. Building capacity for the sustainability and expansion of manufacturing and service activities;
3. Using open-circuit approaches to solve social problems;
4. Finding new markets and opportunities for the development of non-profit activities, especially those that are not supported by market forces;

Social entrepreneurship can prove influential in different areas and lead to the realization of goals such as sustainable livelihood, employment and income generation, capacity building and empowerment, poverty reduction, development of production and market chains and so.

9. THE DIFFERENCE BETWEEN SOCIAL ENTREPRENEUR AND ECONOMIC ENTREPRENEUR

Despite the similarities between the economic and social entrepreneur, there are fundamental differences between the two. Social entrepreneurial organizations are committed to providing a single product or service that causes change in their environment and which is not sufficient for their acceptable financial success. Although some leading economic entrepreneurs help social changes, this is often a secondary objective. Improving the quality of life by creating and introducing new products is one of the commitments of technological and economic entrepreneurial leaders.

Figure 1. Characteristics of social entrepreneur.





Dr. Tal Huber states the differences between social and economic entrepreneurs as follows:

Economic entrepreneurs	Social entrepreneurs
Their sources of power are individual skills and knowledge.	Their sources of power are public wisdom and knowledge and experience.
Focused on short-term financial gains and achievements.	Focused on long-term capacity building.
There are no limits to their ideas.	Their ideas are limited by their ideals and missions.
Profit is an end for them.	Profit is a means for them.
Profit is accumulated or invested for more profit.	Profit is spent for the service of the people.
Looking for uncharted markets and unsatisfied desires.	Using entrepreneurial behavior for the benefit of the society and public and not for personal gain and income. Looking for individuals and societies that have been overlooked.

10. CONCLUSION

Social entrepreneurs are face with many challenges. The most important obstacles to the development of social entrepreneurship in Iran include: weak laws, lack of knowledge and the ability to start, lack of financial support for social entrepreneurship institutions, weak government policies (acquiring legal license, stability of laws and regulations, tax load and legal requirements), lack of governmental assistance and efficient support (Darestani Farahani, 2010). Given the obstacles to the development of social entrepreneurship in Iran, if appropriate regulatory supportive policies are developed in this area, the society can make use of the available social entrepreneurial capacities in order to solve the existing problems.

Social entrepreneurship means the innovative destruction of mechanisms, laws, customs, traditions and social relations. In general, entrepreneurship includes value creation, and entrepreneur is someone who can create a value in the society (whether it be material, spiritual, political, cultural or social value). Therefore, social entrepreneurs are those who seek to identify and meet the needs of the society and they put their social credit on the line, and dedicate and sacrifice themselves to fulfill this objective and mission. In any case, social entrepreneurs, just like economic entrepreneurs, are constantly in search of needs and opportunities so that they create a value in the society and reform a defect through innovation, risk-taking and leadership. Thus, it can be said that entrepreneurship is not a job, but a lifestyle or a culture that affects all the aspects of the life of the entrepreneur, from their worldview and ideology to religion and marriage. So whoever that has these entrepreneurial characteristics is not necessarily qualified to enter the field of business. On one hand, there are those who are active in the cultural, social and political fields and have entrepreneurial characteristics but do not own an economic business. On the other hand, there are several people who own businesses but do not act like an entrepreneur. In general, it can be said that entrepreneurs live a certain lifestyle, look at the world through a special viewpoint and encounter issues, problems and phenomena in a certain special way. They have a special life, and it is possible that they have business or not.



The society needs to increase social capital so that it can ensure its growth and development along with an increase in financial capital, which is provided by the economic entrepreneurs. Social capital is built by social entrepreneurs, so entrepreneurs must be equipped with entrepreneurial skills and spirit to be able to play a crucial role in the process of the development of the society. Social capital determines the interpersonal relations a person has with the other community members. It also provides a basis for the analysis of the sense of community and the extent to which an individual is connected with the other members of the society. The positive effects of this type of capital include: better sharing and transmission of knowledge, trust, a common language, informal relations and collaboration in all of the above cases.

11. PRACTICAL SOLUTIONS

In order to develop social entrepreneurship and also to encourage and facilitate social entrepreneurial activities, the following proposals are presented:

- Financial support centers;
- Social entrepreneurship national-regional planning;
- Reforming the laws and administrative structures;
- Counseling support centers;
- Evaluating and reviewing the development policies of social entrepreneurship.

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ETHICAL CONSIDERATION

Authenticity of the texts, honesty and fidelity has been observed.

AUTHOR CONTRIBUTIONS

Planning and writing of the manuscript was done by the authors.

CONFLICT OF INTEREST

Author/s confirmed no conflict of interest.

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