COMPARISON OF SOCIAL ENTERPRISES BETWEEN MALAYSIA AND SINGAPORE

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COMPARISON OF SOCIAL ENTERPRISES BETWEEN

MALAYSIA AND SINGAPORE

ABSTRACT

This paper examines the experience and characteristics of social enterprises in Malaysia and Singapore by looking into the fundamental elements underpinning the existence of social enterprise, the factors leading to growth and development of social enterprise and the challenges faced. Qualitative research approach and case study method is adopted where four well-recognized and award-winning social enterprises are selected each in both countries for this study. The data are retrieved from the transcription of interviews with social entrepreneurs as well as via documentation through media and company's profile and the data analysis adopts the cross case synthesis method. The findings show that the fundamental elements underpinning existence of social enterprises in two countries are their clear missions that are supported by robust business model such as fee-for-service, service subsidization and employment business model. Besides, the common indicators for individual factor which are motivation, managerial background and leadership or managerial skill contributes to the growth of social enterprises. On the other hand, the common indicators in organization factors are persistence in retaining mission, flat organization structure, emphasis on internal training and informal performance monitoring. The social and institutional environmental factors in both countries contribute to the development via grants, partnerships, advices and business opportunities. Public acceptance however, is found to be less of a critical environmental indicator in both countries. The common challenges faced by the countries are cash flow, talent acquisition and communicating value of products and services. In general, it is found that Singapore's social entrepreneurship is a step forward whereby education sector play significant role in development of social enterprise sector, more involvement and

partnership of government agencies and ministries with social enterprises in Singapore as well as the research and attempt in developing formal system in performance monitoring. The study contributes by its policy recommendation as well as it serves as an insight to the younger generation and government in better knowing the state of social enterprises sector in both countries.

PERBANDINGAN PERNIAGAAN SOSIAL ANTARA MALAYSIA DAN SINGAPURA

ABSTRAK

Pengajian ini mengkaji pengalaman dan ciri-ciri perusahaan sosial di Malaysia dan Singapura dengan melihat unsur-unsur asas yang menyokong kewujudan perusahaan sosial, faktor-faktor yang membawa kepada pertumbuhan dan pembangunan perusahaan sosial serta cabaran dihadapi. Kaedah penyelidikan kualitatif dan kaedah kajian kes digunakan bagi empat perusahaan sosial yang diiktirafkan dan berjaya dipilih masing-masing di kedua-dua negara untuk kajian ini. Data diperolehi adalah daripada transkripsi wawancara dengan usahawan sosial serta melalui dokumentasi melalui media dan profil syarikat. Selain itu, analisis data untuk kajian ini mengamalkan kaedah sintesis kes silang. Penemuan kajian ini menunjukkan bahawa unsur-unsur asas yang menyokong kewujudan perusahaan sosial di dua negara adalah misi jelas mereka yang dipandankan dengan model perniagaan yang mantap seperti bayaran untuk perkhidmatan, subsidi perkhidmatan dan model perniagaan pekerjaan. Selain itu, persamaan faktor individu dalam perniagaan social ialah motivasi, latar belakang pengurusan dan kepimpinan atau kemahiran pengurusan menyumbang kepada pertumbuhan perusahaan sosial. Di samping itu, persammaan faktor organisasi adalah kegigihan dalam mempertahankan misi, struktur organisasi yang rata, penekanan terhadap latihan dalaman dan pemantauan prestasi tidak rasmi. Faktor persekitaran sosial dan institusi di kedua-dua negara memberi sumbangan kepada pembangunan menerusi geran, perkongsian, nasihat dan peluang perniagaan. Walau bagaimanapun, penerimaan awam terhadap perniagaan sosial ialah kurang kritikal sebagai faktor alam sekitar dalam kedua-dua negara. Cabaran umum yang dihadapi oleh negara adalah aliran tunai, pemerolehan bakat dan nilai komunikasi produk dan perkhidmatan. Secara umum, keusahawanan sosial Singapura adalah lebih maju di mana sektor pendidikan memainkan peranan penting dalam pembangunan sektor

perusahaan social, lebih banyak penglibatan dan perkongsian agensi kerajaan dan kementerian dengan perusahaan sosial di Singapura serta penyelidikan dan percubaan dalam membangun sistem rasmi dalam pemantauan prestasi dalam perusahaan. Kajian ini menyumbang dengan saranan dasarnya serta ia berfungsi sebagai wawasan kepada generasi muda dan kerajaan dalam melebihkan pengetahuan atas keadaan sektor sosial dalam kedua-dua negara.

Kata Kunci: Perniagaan sosial, pengalaman, ciri-ciri perniagaan sosial, unsur-unsur kewujudan perusahaan social, faktor kejayaan, cabaran,

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LIST OF SYMBOLS AND ABBREVIATIONS

CSF	Critical Success Factors
IDEA	Impact Driven Enterprise Accreditation
MaGIC	Malaysian Global Innovation & Creativity Centre
MaGICSE	Malaysia Centre for Social Enterprise
NGO	Non-governmental organization
NPO	Non-profit organization
NUS	National University of Singapore
P&L	Profit and Loss
raiSE	Singapore Centre for Social Enterprise
SE	Social Enterprise
SPRING	Standards, Productivity and Innovation Board
SRIO	Social Return of Investment
UnLtd	UnLimited, Foundation for Social Entrepreneurs, UK
UWCSEA	United World College of South East Asia

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CHAPTER 1

INTRODUCTION

1.0 Introduction

This chapter covers the overview of research by discussing the background and history of social entrepreneurship in the world as well as in Malaysia and Singapore. Besides, problem statement, research questions and objectives, significance of the study, brief discussion on methodology and the limitation of the study are also included in this chapter.

1.1 Background of Study

Social enterprise is defined as business with primary objective to achieve social mission which surpluses are reinvested for the mission in the business or in community, rather than being driven by the need for profit maximization for shareholders and owners (DTI, 2002; as cited in Ridley-Duff & Bull, 2011). Social entrepreneurs are like commercial entrepreneurs who identify opportunities, establish venture and leverage resources. However, its primary purpose is to act creatively, resourcefully and innovatively to fill market-based gap in the provision of social goods and services to target the community (Ruskin, Seymour & Webster, 2016).

Market failure is one of the reasons for the existence of social entrepreneurship in which there is inefficiency in the allocation of goods and services. According to Mair and Marti (2009), business is unable to step in to fulfil the existing needs when there is no economic return involved. Besides, governments are also unable to fulfil the needs when they are of lower priority in terms of the support from public. Such institutional gaps left by business and government are traditionally filled and acted by the non-profit organizations (NPO). However, NPOs are often sustained by merely donation and it has

been more challenging nowadays for the NPOs as they battle over scarce financial resources with increasing competition rise in this field (Dees, 1996). Thus, new solutions that are sustainable and scalable are required in order to fill in the institutional gaps (Dees, 1996).

Hence, social enterprise is perceived as the more effective alternative to the non-profit organisations to act within market to create social values. Social enterprises respond to social needs using market-based approached and create value which can be translated into revenue (Mair and Marti, 2006). For instance, La Fageda, a Spanish dairy company employs people who are mentally challenged to produce their high quality yoghurts as they are often denied from getting employed. Social enterprises also create additional value by selling socially aware products to the consumers with a price that is above market value (Volkmann, Tokarski & Ernst, 2012). This helps increasing the sustainability of the venture and thus attracts more donors or investors. The social entrepreneurship development in every country depends on the voids which the institutions have left in the market and social entrepreneurship acts in filling up the voids. While some may confuse co-operatives with social enterprise, Ridley-Duff & Bull (2015) argued that the social value created by co-operatives are through the redistribution of wealth and social inclusion while social enterprises contribute by helping specific group or achieving sustainable development. The co-operative business model focuses on getting maximum benefits and profits for its members while social enterprises provide maximum benefit to the society or its beneficiaries as profit motive is of their secondary objective (Voinea, 2016).

According to Sassmannshausen and Volkmann (2013), the term "social entrepreneurship" was used for the first time in the academic literature in year 1954 despite the long existence of the activities that are similar to social entrepreneurship. However, the term started to become popular and widely used only from 1980s. The

establishment of Grameen Bank in Bangladesh, led by Muhammad Yunus is one of the examples that have promoted the concept and term of social entrepreneurship. Muhammad Yunus strives to eradicate poverty by providing microcredit loans to the poor in Bangladesh and has been awarded with 2006 Nobel Peace Prize. Yunus' Nobel Prize has then brought social ventures into spotlight and contemporary consciousness. Moreover, with the founding of Ashoka in 1980s that identify and invest in leading social entrepreneurs, social entrepreneurship has then been spread globally, also into distinct and popular field of study in universities (Kickul & Lyons, 2012).

Western countries such as US, UK and Europe countries are the tough leaders and innovators in the field of social enterprise. They have grown in developing models specific to social sector and gain enough momentum within wider community to include social entrepreneurship into the mainstream (Li, 2010). Most of the contributions to social entrepreneurship literature have also come from the Western sources. Western countries are claimed to be have most of the "expert voices" on the subject which are focused in the current literature on social enterprise. However, Asia's social entrepreneurship is still underrepresented whereby the journals about social enterprises in Asia is still limited (Shankar, 2015). The limited nature of Asia's social entrepreneurship literature can be due to various factors. One of the factors is social entrepreneurship has had much shorter history (Li, 2010).The social entrepreneurship are most notably in developing countries of South East Asia and the field started after the collapse of wars and ineffective political regimes. Although the number of journal articles has been increasing since year 2009, the number of empirical studies still remains low (Shankar, 2015). The second factor will be the lack of legislative mention of social enterprise in most of the Asia countries. It has been challenging for scholarly research as the definition of concepts have been in different domains and has yet to emerge to a unifying definition (Short, Moss & Lumpkin, 2009). Except for South Korea, the Asia countries also do not have legislative definitions of

social enterprise. Besides, the nature of the debate in social entrepreneurship has also been a factor as it is challenging without developing the theoretical concepts, modifying basic research questions and restating underlying assumption. The debates on the social entrepreneurship is mostly framed in Western terms and it has hardly been relevant to Asian contexts (Hackett, 2010). As Asia consist most of the developing countries, social enterprises play important role to address the challenges on development.

In this context, this study intends to conduct an empirical study on social entrepreneurship in Asia countries. As the social enterprise sector in Malaysia and Singapore are in earlier development stage as compared to the other Asian countries, this study attempts to analyse experiences and characteristics of social enterprises in Malaysia and Singapore and compare them to identify the similarities and differences.

1.1.1 Background of Social Enterprise in Malaysia

According to Thurman (2012), the atmosphere of social entrepreneurship in Malaysia started in year 1957 during its day of independence in which poverty among community has been a major issue of government's development. The concept of "society first" has always been the agenda of Malaysian government in order to assist and improve the quality of community living, particularly towards poverty alleviation. Thus, social entrepreneurship is seen as one of the important sector to help in the economy of Malaysia and tackle issues that are resulted from market failures. In the past, government merely shed lights on the entrepreneurship as it is perceived to be an important concept and activity for poverty alleviation. For instance, Ministry of Entrepreneur and Co-operative Development (MECD) was formed as agency to develop entrepreneur groups in year 1995 and government-linked organizations such as Federal Agriculture Marketing Authority (FAMA), Malaysia Agricultural Research and Development (MARDI) and so on were involved in training entrepreneurs to facilitate success.

Thus, social entrepreneurship in Malaysia is still growing in an early stage. According to Yeoh (2015), it is estimated that there are only 100 of social enterprises in Malaysia that aims to tackle issues such as education, environmental sustainability, rural development and poverty. Recently, the government acknowledges that social enterprises have the potential in impacting the society by having innovative business solutions to face the social issues. National Social Enterprise Blueprint was introduced by our Prime Minister, Najib Razak on May 13, 2015 as a step toward fostering a larger social enterprise. The government has allocated RM 20 million to Malaysian Global Innovation and Creativity Centre (MaGIC) and it is targeting to achieve 1000 social enterprises by year 2018. In 5th September 2017, MaGIC has launched the Impact Driven Enterprise Accreditation (IDEA) that enables public and private sectors to create impact through their day-to-day procurement activities in order to create more sustainable capital flow and boosting opportunities to uplift Bottom 40 communities. It is an effort in inspiring social enterprise movement and developing the impact driven enterprises sector.

1.1.2 Background of Social Enterprise in Singapore

The first known social enterprises in Singapore emerged at a time when the country did not have banks or other financial institutions offering workers financial relief (Prakash & Tan, 2014). Back in year 1925, the first co-operative, the Singapore Government Servant's Co-operative Thrift and Loan Society was established. The workers back then gathered together to form co-operative as a form of mutual aid. Along the years, 43 thrift and loan societies were formed to meet the needs of the publics. Despite being the more established form of social enterprise in Singapore, they were not the only such entity. The Social Enterprise Association that was established in 2008 estimates that there are at least 200 active social enterprises in Singapore which addresses wide range of social needs. According to Prakash and Tan (2014), it could be an

underestimation as many other organizations might have similar purpose and business model but do not call themselves as social enterprise. The targeted beneficiaries are of wide ranges that include the ex-offenders, the stay-at-home mums, the poor, the people with hearing disability or the physically challenged and the elderly. The strategic geographical location of Singapore and its relative prosperity have also caused number of social enterprises to be specifically set up to target beneficiaries in the region.

However, the social enterprise in Singapore is still claimed to be in the early stage according to Wong (2016). The centre of Social Enterprise in Singapore, raiSE was established to increase the awareness of social entrepreneurship and to raise support for social enterprise in Singapore. It has committed S$30 million to provide more support for social enterprises during its launch in May 2015. To date, S$ 8.6 million has been contributed to over 40 social enterprises and benefited close to 3000 disadvantaged people and created more than 200 jobs. Despite of its early stage, it is fast becoming the social investment hub of the region as investors are looking to put money into scalable and sustainable social enterprise.

In general, social enterprise has great potential in creating economic, societal and job gains. It acts a crucial role in complementing the social services offered by charities and the government agencies. Besides, social enterprise also contributes to enhance social inclusion as countries surge towards achieving Sustainable Development Goal (SDG).

1.2 Problem Statement

Social enterprise in both economies of Malaysia and Singapore despite on their infant stage has used business to help tackling social problems in the countries. Besides, both governments have also acknowledged the contribution of social enterprise to the society and have taken initiative to help the social entrepreneurs in the countries by providing funds and setting up centres.

Due to the lack of data showing countries that encourage social enterprise, Thomson Reuters Foundation teamed up with Deutsche Bank, UnLtd and Global Social Entrepreneurship Network to conduct the world's first experts' poll on best countries for social entrepreneurs. The poll was carried out online on year 2016 involving 45 countries and roughly 20 experts focusing on social enterprise such as academics, social entrepreneurs, investors and policy makers are contacted to participate in the poll. The indicators included to study the best countries for social entrepreneurs are government support, skilled staff, public understanding, making a living, gaining momentum and access to investment. The findings show that Malaysia and Singapore both achieved Top 10 in overall ranking whereby Singapore achieves higher ranking on 4th as compared to Malaysia's ranking on 9th. Specifically on government policy supports on social entrepreneurs, Singapore ranks 2nd while Malaysia ranks 10th. In gaining momentum, Singapore ranks 3th while Malaysia ranks 8th. Furthermore, Singapore ranks 2nd in terms of the ease of accessing investment while Malaysia ranks 11th. Despite the early stage of the social enterprises in both countries like Malaysia and Singapore, Singapore ranks higher and perceived to be a better country for social entrepreneurs compare to Malaysia. This triggers the curiosity to explore and draw comparison of the social enterprise in both countries.

Moreover, the National Social Enterprise Blueprint was introduced by the former Prime Minister, Najib Razak in 2015 and the government has also allocated RM 20 million to the Malaysian Global Innovation and Creativity Centre (MaGIC) to promote social entrepreneurship. The aim was to increase the number of social enterprises to 1000 in Malaysia by 2018. However, it appears that this goal has not yet been achieved as of today. Meanwhile, MaGIC has been trying promote social entrepreneurship thorough different strategies. For example, it has initiated the Impact Driven Enterprise Accreditation (IDEA) in 2018, which aims to create systemic shift by involving private

and public sectors to drive social procurement as part of their activities. Therefore, it will be interesting to study in depth the experience of social enterprises in Malaysia and make a comparison with the experience of social enterprises in Singapore. This will help to draw some cross boundary learning for both economies in boosting the rise of social enterprises that are able to not only help the economy in general, but also particularly address some existing social problems.

According to Hoogendoorn, Pennings and Thurik (2010), the research in the past two decades have mainly focused in establishing a conceptual foundation for social entrepreneurship, thus resulted in varieties of conceptual papers. For example, Weerawardena & Mort (2006) provide a bounded multidimensional model of social entrepreneurship in their research that view social entrepreneurship as abstraction of innovativeness, pro-activeness and risk management within the constraints of environment, sustainability and social mission while Jiao (2011) develop a conceptual model for social entrepreneurship directed towards social impact on society that involves few variables that set as the antecedents of social entrepreneurship. Despite the increasing literature on social entrepreneurship, such research remains nascent where empirical studies are still outnumbered by conceptual studies. Besides, there is also lacking of research on social enterprise done in Malaysia and Singapore, let alone the comparison study of social enterprises between these two countries.

Thus, this study addresses the gap in the literature by conducting an exploratory study on the experiences and characteristics of the social enterprises in Malaysia and Singapore. Comparison of social enterprises in both countries in terms of their similarities and differences will also be examined in this study. The findings of the study serve as an insight for the social enterprise sector in both countries.

1.3 Research Questions and Research Objectives

The research questions and research objectives are as below: -

Table 1.1: Research Questions and Research Objectives

Research Questions	Research Objectives
1. **What are the elements underpinning the existence of social enterprise in Singapore and Malaysia?**	i. To identify the elements underpinning the existence of social enterprises in Singapore and Malaysia.
2. **What are the enabling factors (in terms of individual, organisation and environment) that support growth and development of social enterprise in Singapore and Malaysia?**	ii. To investigate the factors in terms of individual, organisation and environment that enables the growth and development of social enterprise in Singapore and Malaysia.
3. **What are the challenges for growth and sustainability faced by social entrepreneurs in Singapore and Malaysia?**	iii. To explore the challenges for growth and sustainability faced by the social entrepreneurs and how they constraint the growth of social enterprises in Singapore and Malaysia.
4. **What are the cross-country lessons that can be drawn from the experience of social enterprise in Singapore and Malaysia?**	iv. To draw cross-country lessons that can contribute to the growth of social enterprises in Singapore and Malaysia.

1.4 Research Methodology and Data

This study adopts qualitative research approach and uses case study methods in order to study the experience and characteristics of social enterprise in Singapore and Malaysia. The objective of a case study is to understand a case in depth and in natural setting, to recognize the complexity and context while at the mean time have a holistic focus in order to understand the wholeness and unity of the case (Punch, 2014). It is multiple case holistic designs that are often considered more compelling and lead to robustness of the overall study. Besides, this study uses interview and documentation as the data collection methods whereby semi-structured interviews are conducted with the social entrepreneurs in both countries and media or company's website are referred to

acquire information. 4 social enterprises each from both Malaysia and Singapore are selected in the study, whereby they are well-established, well-known or have received the Social Enterprise Awards in their own countries. Cross-case synthesis is also used for the analysis of the data collected in this study.

1.5 Significance of Study

The study is significant as it contributes to the literature on social enterprise. The research on social enterprise is still perceived to be in nascent stage where there is lacking of empirical research. Besides, there is also lack of research on social enterprise done in Malaysia and Singapore, let alone the comparison study. Thus, this study intends to fill in the gap of literature by conducting a comparative study on social enterprise.

Besides, the research is also significant as it studies the elements underpinning the existence of social enterprise, the factors leading to their growth and sustainability as well as the challenges they face in Malaysia and Singapore. According to Gartner (1985), the comparison of enterprises that differ in their background, objectives, operating patterns will enable us to identify the presence or absence of certain variables and the chief variables that explains the success of ventures. Thus, the identified factors that lead to the well-establishment of the social enterprises will greatly help the growth and enhancement of the other social enterprises in Malaysia and Singapore.

In addition, this study will contribute by its comparison of social enterprise in both Singapore and Malaysia. Throughout the research, cross country lessons will be uncovered and they will help both countries' social enterprises to learn from one another and have further improvement. The sector is expected to grow continuously in the country as it plays major roles in the development of country and there is a constant rise in the awareness of the young people in making impact and contributing back to the society.

This paper will be an insight to many future social entrepreneurs who are passionate in creating impact in the works they do.

Apart from these, this paper also bring significant benefits for Malaysian government in enhancing their knowledge on the latest state of social enterprise in Malaysia. The study makes significant contribution by helping to identify and understand the barriers faced by the social entrepreneurs and requirements for sustainability and growth of social entrepreneurship in Malaysia. Through this research, new policies can be developed in order to create more awareness and attract more social entrepreneurs that in turn serve the Malaysia society better.

1.6 Limitations of Study

Like every other research, this study also has a few limitation and shortcomings. The first shortcoming is the small scale and sample selection of the study whereby only 4 social enterprises are selected from Malaysia and Singapore. Besides, issue of generalization is also another limitation of the study whereby it may not be relevant to other nation with social enterprise sector being in different development stage or nation with different culture. Lastly, the personalized data acquired from the interviews covering opinions, attitudes and experiences of interviewees are also the limitation of the research. There might be missed information that was not acquired and that different individuals might have different point of views and thus lead to difficulty in generalization of findings.

1.7 Chapter Layout

This paper will be divided into total seven chapters and the sequences will be followed throughout the paper. Chapter 1 discusses the overview of research by including the background of social entrepreneurship in the world and both Malaysia and Singapore, problem statement, research questions, significance of the study, as well as briefly stating the methodology and the limitation of the study.

Chapter 2 covers the literature review whereby the past literatures on social entrepreneurship are stated. It includes the definition of social entrepreneurship, its difference with commercial entrepreneurship, motivations, success factors and challenges faced the social entrepreneurs. Besides, conceptual framework is also developed to conduct the case study and examine the findings.

Chapter 3 explains the methodology of the study by introducing qualitative research approach, case study and the source of evidences. The sample selections for the study are also discussed, along with the method of data analysis.

Chapter 4 and Chapter 5 present the findings in the study each in Malaysia and Singapore. The data is also explained and analysed according to the conceptual framework developed in Chapter 2. The two chapters are ended with a summary of the findings.

Chapter 6 discuss the comparison of the findings in both countries and present the lessons learned through the similarities and differences of the social entrepreneurship in Malaysia and Singapore.

Chapter 7 discusses the conclusion of the study by restating the objective and research questions, methodology and the major findings acquired. Besides, policy recommendations and recommendations for future study are also included, together with the limitation of the study.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

This chapter discusses the past literatures on social entrepreneurship by first explaining the term social enterprise, social entrepreneurship and the difference of social enterprise and commercial enterprise. The chapter proceeds by discussing the past studies that have focused on the experience of social entrepreneurs particularly in terms of their motivation, factors leading to their success of running social enterprise and challenges faced by the individuals. Lastly, conceptual framework is developed from the past literatures for this research.

2.1 Social Enterprise

According to Mair and Marti (2006), social enterprise is the tangible outcome of social entrepreneurship which is the process of involving activities linked with the perception of opportunities in order to create the social value. The social entrepreneurs are the founders of initiative, the individuals who evaluate, recognise and exploit business opportunities to create social value (Certo & Miller, 2008). Social enterprise is defined as business with primary objective to achieve social mission which surpluses are reinvested for the mission in the business or in community, rather than being driven by the need for profit maximization for shareholders and owners (DTI, 2002; as cited in Ridley-Duff & Bull, 2011). It is a term emerged to be used in the 1980s to differentiate the socially-oriented organizations that have ventured into revenue-generating activities from the purely non-profit, charitable organizations (Borzaga & Defourny, 2001). Such new entities are regarded as subdivision of the third sector but yet it has set out a new enterprise spirit. With respect to this, it is also defined as the third sector that addresses socio-

economic initiatives which belong neither to public sector nor traditional private for-profit sector (Borzaga & Defourny, 2001).

2.2 Social Entrepreneurship

Despite the growing attention to the research on social entrepreneurship (Hemingway, 2005), such domain is still lacking of a clear definition. According to Zahra et al. (2009), it has been complicated by numerous demonstrations by different scholars with respect to the subject focus. It is a combination of two ambiguous words that indicates different things to different people (Mair & Marti, 2004). With the broad definition of social entrepreneurship, Jiao (2011) categorizes the definition based on the mission, the multiple dimensions of social entrepreneurship and the operational process or mechanism of social entrepreneurship.

For definitions of social entrepreneurship based on the mission, Dees (2001) see social entrepreneurs as individuals who have the role of change agents in social sector through adopting a mission to create and sustain social value (not just private value), recognizing and persistently 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 heightened accountability to the constituencies served and for the outcomes created. The definition by Dees and Anderson (2003) differs with the normal view of seeing social entrepreneurship as business with social purpose to earn income for the non-profit sector. Instead, it emphasizes innovation and impact, not merely income, in dealing with social issues. In addition, Leadbeater (1997) defines it as the adoption of entrepreneurial behaviour for social ends instead of for profit aims, whereby the profits generated from market are used for the advantage of specific disadvantaged groups.

As for the definitions based on the multiple dimensions of social entrepreneurship, scholars view social entrepreneurship as multi-dimensional construct. Mort, Weerawardena and Carnegie (2003, p. 76) form a conceptualization of social entrepreneurship as "a multi-dimensional construct involving 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 recognize social value-creating opportunities and key decision-making characteristics of innovativeness, pro-activeness and risk-taking." Weerawardena and Mort (2006) later develop a bounded multi-dimensional model and view social entrepreneurship as an overall abstraction of innovativeness, pro-activeness and risk management that are within the environment, sustainability and social mission constraints.

For definitions based on the operation process or mechanism of social entrepreneurship, it is perceived as the process to change the world (Chell, 2007). According to Mair and Marti (2006), it is a process involving the use of innovation and combination of resources to pursue opportunities in order to catalyse social change and address social needs. Roberts and Woods (2005, p. 49) at the same time view social entrepreneurship as "the construction, evaluation and pursuit of opportunities for transformative social change carried out by visionary, passionately dedicated individuals."

As a whole, most of the definition of social entrepreneurship imply the relation to exploiting opportunities for social impact and change rather than the traditional profit maximization of entrepreneurship.

2.3 Difference between Social Entrepreneurship and Business Entrepreneurship

In distinguishing social entrepreneurship with business entrepreneurship, one thing to look at is the goals of the existence of enterprises. Galbraith (2007) defines the major types of business such as corporation, partnership and privately-held company, but every business has an underlying aim to generate profits (Baye, 2006). The performance of the business is measured by financial return. Besides, in every planning of business strategies, its major focus is to maximize the shareholders' value or owner's equity and making sure to generate revenue out of the cost of the business, and acquire profits in the long run (Baye, 2006). Its way of measuring value creation is through the wealth generated (Dees, 2001).

What differentiates social entrepreneurs with business entrepreneurs will be the social mission carried. According to Dees (2001), the social mission is both explicit and central where it affects how social entrepreneurs access opportunities. Likewise, Austin, Stevenson and Wei-Skillern (2006) added that the opportunity dimension of social entrepreneurship is different with business entrepreneurship where the latter is attracted by market sizes that are large and growing in order to provide for profitable opportunities. On the other hand, social entrepreneurship is drawn to an unmet need, demand or market failure, in other words, the opportunity for social changes (Austin et al., 2007). To social entrepreneurs, the mission-related impact is the central criterion where profits is only a means to an end. In other words, the financial return is only to facilitate and funds for the social cause (Smith et al., 2008). The social entrepreneurs' purpose is to create superior social value in the enterprise. As a result, the different motivation of operation causes social enterprises to rely on available human and social capital as it is less likely to attract much financial capital (Austin et al., 2007). The integration of business model to the provision of social need is also a distinguishing characteristic of social entrepreneur

where it serves a "double bottom line" – a blend of financial and social returns simultaneously (Doherty et al., 2009).

2.4 Success factors of Social Enterprise

A few literatures have focused on providing the factors that led to the success of social enterprises with the social mission as its central objective. Due to the lacking of comprehensive theories for the field of social entrepreneurship (Bygrave et al., 1996), most of the social entrepreneurship literatures adopt and rely on the business entrepreneurship literature.

The challenges of establishing an enterprise, together with the uncertainty and lack of stability and resources have led researchers view survival and sustainability as the prime dimension of success (Van De Ven, 1984) and it is applicable as well in the social context (Sharir & Lerner, 2006). As to explain success in social arena, Sharir and Lerner (2006, p. 6) define success of social ventures as "(i) degree to which social venture achieve their goals, (ii) ability to ensure continuity and sustainability of program and service by acquiring and resources necessary to maintain current operations and (iii) measure of resources available for venture's growth and development". In their study that focuses on the social ventures in Israel, the findings show a demonstration of 8 variables in contributing to the success of the social enterprises. Out of the 15 variables used in the study, the 8 significant variables are (1) the entrepreneur's social network, (2) total dedication to the venture's success, (3) the capital base at the establishment stage, (4) the acceptance of the venture idea in the public discourse, (5) the composition of the venturing team, (6) forming cooperation in the public and non-profit sectors in the long term, (7) the ability of the service to stand the market test and lastly (8) the entrepreneurs' previous managerial experience.

Wronka (2013) analyze the success of social enterprise using the critical success factors (CSF) perspective. The CSF factors are widely used for any enterprise, be it for-profit or not-for-profit; large or small; domestic or foreign. Ellegaard and Grunert (1993, p.263) defined CSF factors in 4 ways, "the requisite components of the organization's management system, the unique organization's characteristics, a heuristic tool aimed at sharpening the managers' perception of the organization and a description of the crucial qualifications and resources necessary to achieve success at a given market.'' Wronka (2013) conducted its study to identify critical success of the social enterprises in Poland. The result shows that there are ten variables that contribute to the success of the social enterprises. The variables are "(1) strong leadership, (2) motivation and commitment of employed people, (3) enabling legal/regulatory environment, (4) attractiveness and clarity of innovative concept, (5) management expertise, (6) key personal qualities for front line service delivery, (7) effective collaboration with public sector, (8) social capital, (9) local community involvement and (10) keeping and distributing accurate financial records", based on Wronka (2013, p.593). At the meantime, Nielsen and Carranza (2012) focuses their study in Latin America and view the interorganizational networks among the partners play an important role to which the social benefits can be achieved. The key success factor is the social entrepreneur's network of learning process enablers, the knowledge providers and the co-creators.

2.5 Challenges faced by Social Enterprise

The major difference between social enterprise and business enterprise will be its social objective and mission. Thus, the challenge faced in social entrepreneurship may also differ as compared to the business entrepreneurship. According to Doherty et al. (2009), the social value carried in social entrepreneurship might dominate more informal

strategies adopted and neglected the commercial perspective. It is also added that there will a trade-off between social and commercial commitment.

Hynes (2009) conducted an exploratory study on the issues and challenges faced in growing social enterprise, which involves four case studies in Ireland. He argues that in order to create more social entrepreneurs and assist them in their business, there is a need to have more information on the pattern of firm growth and the challenges encountered in growing social enterprise. The studies show that the challenges faced by the social entrepreneurs are the access to finance and investment, a lack of understanding of concept of social enterprise by financial and non-financial stakeholder as well as the general public, pricing and managing cash flow, problems in recruiting and retaining staff and personal issues in managing the changing form of social entrepreneurs.

In addition, there are also literatures that study the social enterprise in developing country such as Turkey. It is found that the lack of structural support in terms of the factors such as economic, legal and political are found to be the major problems faced by the social entrepreneurs in Turkey. Besides, Koenig (2014) added that the finance access in capital markets and finding experts to work for social enterprise has also been delimiting the social enterprises' operations. Türker, Özerim and Yildiz (2014) added that social business is also not officially recognized and defined legally whereby social entrepreneurship are in other legal entities such as NGOs, cooperatives etc. It has been a challenge as there is increase in level of uncertainties for current and prospective entrepreneurs without a legal framework.

Multilateral Investment Fund (2016) reported the challenges faced by the social enterprises across the East Asian countries. For instance, China's social enterprise faces new challenge in supporting the newcomers to adjust their strategies in order to create social impact effectively and validate their activities as meaningful for society. Social enterprises in Japan are found to struggle to secure investment necessary to have scale

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expansion as most of the funds available are small in size and only aim at entities with stable profit structures. On the other hand, Thailand and Philippines face political instability and thus have intermediaries that play unique roles in developing the nascent social enterprise ecosystems. In Philippines, the most common challenges appear to be the lack of business skills as well as the low level of financial support. South Korea and Singapore have built mature ecosystems under strong government leadership but face challenges to foster sustainability and innovativeness among the social enterprises. With the limited size of the Singaporean market, social enterprises in Singapore face major challenges involving competition and business expansion (Multilateral Investment Fund, 2016).

2.6 Motivation of the Social Entrepreneurs

Motivation not only play a s gnificant factor in every new for profit venture but also plays a key role in the growth nd persistence as well as success of that venture (Shane & Venkataraman, 2000). The entrepreneurial motivation directly influence new opportunities discovered and exploited. Shaw and Carter (2007) argued that the traits and behaviours of social entrepreneurs including the drive and determination are similar to the commerci l entrepreneurs. The key difference of between commercial entrepreneurs and soc al entrepreneurs is that the former is driven by economic gain or other personal goals; but the latter are the motivation of creating social value.

Omorede (2014) conducted an inductive study to explore the motivational driver of social entrepreneurs starting social enterprise in Nigeria and why the efforts are devoted in addressing complicated issues and tackling longstanding inefficiencies in communities and societies. The authors combines all the findings and sort them in categorization of 4 aggregate themes such as local condition, intentional mindset, passion

for a cause and social network support. **Local condition** theme includes the economic deficiency, ignorance and unscientific beliefs and inequalities; **intentional mindset** includes alertness to social cause, religious conviction, propensity to act and moral judgement. In the meantime**, passion for a cause** includes emotional attachment, personal investment, dissatisfaction and satisfying feedback; while **social network** support is the physical and emotion support given to social entrepreneurs.

On the other side, Yitshaki and Kropp (2016) studied the motivations that eventually drive the opportunity recognition among 30 social enterprises in Israel. The authors categorize the motivations findings into two factors which are **pull factors and push factors.** Pull factors are defined as finding solutions to unmet social needs based on past and present experiences or internal motivations based on identification with social needs and process evolution of an idea (Yitshaki & Kropp, 2016). It includes the life events in the present, life events in the past, awareness since childhood and adulthood, ideology and spiritual imperative while push factors includes the natural option for career development. Both factors create an awareness of unmet social needs that leads to opportunity recognition. Eventually, social venture is formed driven by the motivations and opportunity recognition.

Gunawan (2014) conducted a study on the motivation of the Indonesian entrepreneurs which includes the social entrepreneurs. The results show that the social entrepreneurs have higher concern about the financial returns instead of the social and environmental missions. The biggest motivation of the social entrepreneurs were to increase their income, followed by the passion for what they do and the eagerness to be their own boss. However, the quality of life and maintaining the environmental sustainability are found to be the lowest motivating factors. On the other hand, the motivation of social entrepreneurship can also be traced to moral sentiments. According to Yiu et al. (2014), in the context of Chinese entrepreneurship, the drivers of moral

sentiments are the level of education, hardships endured and experiences caused by unemployment and rural poverty. Such moral sentiments drive individuals to become a social entrepreneur. The Guangcai Program in China has also been a motivating factor for private entrepreneurs to take on the social entrepreneurship path.

2.7 Theoretical Framework

Over the years, the importance of developing a theory for social entrepreneurship has been emphasised. As a result, different theories for social entrepreneurship have been developed and introduced. For instance, El Ebrashi (2013) introduced the behavioural theory of social entrepreneurship that focuses on the contextual factors that produce social venture creation, the underlying organization dynamics and structures, and how the typologies measure social impact, mobilize resources and create sustainable social change. Besides, Santos (2012) develops a theory that explains the distinguishing role of social entrepreneurship in the economic system and highlighting the specifics of social entrepreneurship approach. The author takes a descriptive view on the central distinction between value creation (creating strong and crucial impact for society) and value capture (appropriating substantial portion of value created with aim of making profit, by stressing on the positive externalities). Bloom and Smith (2010) however extend the drivers of scaling in social entrepreneurship relating them to the theoretical foundations upon which the SCALERS model is developed. The model identifies seven different potential scaling social impact drivers such as Staffing, Alliance-building, Lobbying, Earnings-generation, Replicating and Stimulating market forces.

However, the appropriate theoretical framework used for this study is drawn from Dees (1998) on the meaning of social entrepreneurship. The author built the definition on social entrepreneurship based on the theory of entrepreneurship developed by famous

economists such as Schumpeter, Say, Stevenson and Drucker (Dees, 1998; Grieco, 2015). Firstly, social entrepreneurs adopt a mission for social value creation and to sustain it. It is the core that set them apart from the business entrepreneurs, including the socially responsible businesses. The mission carried is firmed and cannot be reduced to the focus on profits earned in the organization. The profits are only the means to the social end and it should not be the goal of the social entrepreneurs. In other word, social impact is the gauge of the value creation instead of the profits.

Besides, social entrepreneurs are the change agents in the social sector. The visions formed in the organizations are bold and they tackle the underlying roots of the problems, rather than merely treating the symptoms observed. The social entrepreneurs create fundamental changes and seek to reduce the needs in the society. As much as they seek to form systematic changes, they also aim at sustainable improvements. Despite starting their organizations locally, they have the potential and goals to stimulate global improvements in their field.

Moreover, social entrepreneurs also take action boldly without being limited by the resources in their hands (Dees, 1998). The limited resources faced do not keep them from pursuing their visions. Due to the scarcity, they use their resources efficiently and leverage the limited resources through partnering with others and collaborate with them. Resource s rategies are developed in order to provide support and reinforce their social mission.

Furthermore, new opportunities are constantly recognized and pursued by the social entrepreneurs. Despite being driven by the social need and their compassion, they also have vision towards achieving improvement in their organization and are committed to making their visions and missions come to fruition. The developed models and approaches are likely to change along their operations as the social entrepreneurs gain experience and learn about what works and what does not. Persistence is a key element

in the social entrepreneurship, together with the willingness and ability to make adjustment and change.

In addition, in the journey of social entrepreneurship, social entrepreneurs engage in continuous innovation, adaptation and learning (Dees, 1998). The readiness to innovate is the principal for every entrepreneur. It is an on-going process of learning, exploring and improving instead of one-time burst of creativity. The innovations are evident in the structure of their core programs and the assembly of resources as well as the funding of their works.

Apart from these, social entrepreneurs have high sense of accountability to the constituencies served and the outcomes created. They take efforts to assure that they are constantly creating value instead of being inefficient and ineffective in their social ventures. There is a strong intention to serve the communities and the beneficiaries through assessing their needs and values. Besides, they also assess their progress by means of social, managerial and financial outcomes and not merely in terms of the size, processes or output.

2.8 The Analytical Framework

To analyse the case studies this study has drawn up a framework based on the Gartner's Framework (Gartner, 1985) on new venture creation. It has utilized contribution from several fields of research such as economics, personality psychology and strategy and is widely accepted in entrepreneurship literatures. Hoogendoorn, Pennings and Thurik (2010) reviewed the empirical studies on social entrepreneurship and classified them according to the four components of Gartner's Framework which is individual, organization, environment and process. In this study, it is adopted and modified to include variables along 3 dimensions which are individual, organization and

environment, in which are the factors of new venture success according to Schutjens and Wever (2000). This framework captures number of elements highlighted in the Theoretical Framework (Dees, 1998) discussed in the previous section such as the mission for social value creation and being change agents in social sector, strategies to achieve social mission and continuous innovation and improvement in organization, and accountability in terms of social, managerial and financial performance. In all these elements the individual, organizational and environmental factors can play important roles in either positive or negative ways. Particularly, the individual and organization are the internal characteristics of social enterprise while the environment is the external characteristics of the social enterprise. The analytical framework is illustrated in Figure 2.1.

The first component of the framework, **individual** focuses on the social entrepreneurs. According to Bygrave (1993), the entrepreneur's skills and background experiences as well as the decisions and actions taken by entrepreneur play crucial role in the process of realizing the venture. The researchers concluded that skills such as leadership skill (Thompson, Alvy & Lees, 2000), networking skills (Sharir & Lerner, 2006) as well as managerial and entrepreneurial skill (Turner & Martin, 2005) are able to foster the social entrepreneurship. Besides, Van der Scheer (2007) has also proven the social entrepreneurship is likely to be shaped by the managerial background of the social entrepreneurs. The motivation of the social entrepreneurs have also driven the opportunity recognition and explains the efforts of addressing complicated issues and tackling longstanding inefficiencies in communities and societies (Omorede, 2014; Yitshaki & Kropp, 2016). It can be divided into pull factors such as life events in the present and past, awareness since childhood and adulthood, ideology as well as spiritual imperative and also push factors such as natural option for career development from opportunity discovered, job dissatisfaction and search for meaningful activity (Yitshaki & Kropp,

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2016). The individual dimension of this study will include variables such as skills, background and motives.

In addition, the **organization** is also included as the second component of the analytical framework. In the study done by Weerawardena and Mort (2006), the social entrepreneurial process is bounded by the social mission and the mission sets as the central objective within the competitive environment and the drive for a sustainable enterprise. Besides, the governance of social enterprise has also been evaluated by Sharir and Lerner (2006) by looking at the involvement of board members in planning and decision making, expanding social network and personal financial investment. The samples have poor governance board performance and was referred to the social entrepreneur's attempt to retain implementation power. In the study done by Spear (2006), the author intend to find out the importance of learning and knowledge management approaches to understand how skills were acquired that intend influence the success or failure of social enterprise. According to Hoogendoorn et al. (2010), social enterprise sector requires great professionalization and is also expect to have intensive performance monitoring. According to Sharir and Lerner (2006), monitoring and evaluation are poorly developed in social enterprises. Thus, in our study, we intend to study the organization dimension by including variables such as mission, governance, learning and monitoring.

The third component will be the **environment**. Weerawardena and Mort (2006) view social entrepreneurship as highly responsive to and also constrained by environmental dynamics. In the study done by Jiao (2011) on developing a conceptual model for social entrepreneurship directed towards social impact on society, the institutional environmental factors and social environment factors are two of the examples of antecedents of social entrepreneurship. The social environment factors refer to the incubators for social enterprises' activities and research institution. The incubator environment "fulfill an intermediary function by providing training, technical advice,

networking or financial planning to compensate for the social entrepreneur's limited knowledge and expertise'' (Sharir & Lerner, 2006, p. 16). Government agencies, however, is included in the institution environmental factor. Sharir and Lerner (2006) also argue that the public acceptance of social venture is one of the variables that influence the success of the social enterprise. Thus, the environmental dimension will be evaluated by the variables of social environment factors, institutional environmental factors and public acceptance on social enterprise.

As the characteristics are studied both internally and externally, the challenges faced by the social enterprises are also examined in this study in which it involves the struggle within the organization or out of the organization. Cozonac and Tilahun (2015) investigate the managing challenges in social enterprise in Sweden by looking at the internal and external challenges faced by the social enterprises and how they manage them. It is found that the challenges faced are diverse in terms of funding, public image, sales, network and cooperation, governance/structure, leadership and management.

Figure 2.1: Social Entrepreneurship in Malaysia and Singapore: Analytical Framework
(Source: Adopted and modified from Gartner's Framework used by Hoogendoorn, Pennings and Thurik (2010))

To recapitulate, the analytical framework of this study is adopted and modified from the Gartner's Framework that includes the individual, organization and environment variables which focus on the experience and characteristics of social enterprise both internally and externally. Through the analytical framework developed, the fundamental elements underpinning the existence of social enterprise, factors leading to growth and sustainability of social enterprise, challenges faced as well as the cross-country lessons can be examined in this study.

2.9 Chapter Summary

To summarize, this chapter covers the definitions for social entrepreneurship and discussed on the past empirical studies on the experience of social enterprises, particularly in motivations, success factors and challenged faced. Besides, the theoretical framework is also introduced. Past researchers have also realized the outnumbering of conceptual studies as compared to empirical studies. Thus, the conceptual framework developed from past literature, is set as a guideline to conduct the research to explore and study the experience and characteristics of social enterprise in both Malaysia and Singapore. The next chapter discusses the methodology in this study.

CHAPTER 3

RESEARCH METHODOLOGY AND DATA COLLECTION

3.1. Introduction

This chapter introduces the research methodology and data collection for the study by first discussing on the research design. Qualitative research approach with case study method are discussed, followed by the sources of evidence in this study. The chapter continues to cover the sample selection in this study and the method used for data analysis.

3.1 Research Design

Research design is the logical sequence that connects empirical data to the initial research questions of a study and ultimately, to its conclusion (Yin, 2009). It helps in avoiding the situation when data or evidence collected in the process of the research, does not address the research question.

This study intends to study the experience and characteristics of social enterprises in Singapore and Malaysia by looking into the fundamental elements underpinning the existence of social enterprise, factors leading to growth and sustainability and challenges faced. Besides, it also draws cross-country lessons from the findings. It is an exploratory study that adopts qualitative research approach and uses case study method. Besides, documentation and interviews are used for the source of evidence. In-depth semi structured interview will be conducted with 4 selected social entrepreneurs in each country of Singapore and Malaysia. Open-ended questions are designed to allow social entrepreneurs to speak freely, elaborate further and for interviewer to ask further questions prior to the interviewee's reply. The conversation during the interview will be recorded and then transcribed and interpreted by the researcher for data analysis. The data

collection and analysis is guided by the conceptual framework developed in the previous chapter. Such case description with in depth interview may provide abundant sources of information that will identify unexpected patterns which might not be captured by other constrained methodologies (Alvord, Brown & Letts, 2004).

3.1.1 Qualitative Research

As social enterprise is an emerging sector in both countries, qualitative research approach is adopted where it is applied in circumstances in which the phenomenon is relatively little being known, or to gain new perspectives on issues that have already been known (Corbin & Strauss, 1990).

According to Yin (2016), qualitative research contains five features. Firstly, the meaning of people's lives, in their real-world roles is being studied. Besides, qualitative research prioritizes the views and perspective of the people (also referred to as participants) and make sure they are represented in a study. Thirdly, it explicitly attends to and embraces the real world contextual condition which includes the social, cultural, institutional and environmental conditions in people's lives. Apart from that, qualitative research contributes by giving insights from existing or new concept that will help to provide explanation to the social behaviour and thinking. The last feature of qualitative research will be its acknowledgement of the potential relevance of multiple sources as part of any given study rather than just relying on a single source alone.

Miles, Huberman and Saldana (2013) added that qualitative research is conducted through contact within a field or the real life setting and the role of the researcher is to gain an integrated overview of the study which involves the perceptions of participants. The major focus of the research is to understand the ways people act. Moreover, qualitative study studies a single situation in depth and thus, it is the weakness of its ability

to compare the variables in different conditions or to make causality claims. Nevertheless, qualitative study takes into account of the context that the research is conducted and researchers often have the flexibility to examine and re-examine their findings in the field as the data analysis occurs simultaneously with the data collection and thus, validity can be claimed.

3.1.2 Case Study

Robert K. Yin is known for his contribution on case study research and on qualitative research. He defines case study as "an empirical inquiry that investigate a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident."(Yin, 2009, p.18). The objective of a case study is to understand case in depth and in natural setting, to recognize its complexity and context while having a holistic focus in order to preserve and understand the wholeness and unity of the case (Punch, 2014). Goode and Hatt (1952) argue that case study is a way of organizing social data instead of a specific technique as it helps preserving the unitary character of the social object that is being studied.

Case study can be conducted as a single case investigation or multiple case investigation. Yin (2009) suggest that there are four types of case design whereby such case study research design may help to strengthen the case studies and even possibly, may ease the entire process. Type 1 and Type 2 case design is single case holistic design and single case embedded. These first two types of the single case studies are justifiable under certain condition whereby the case represents either (a) an extreme or unusual circumstance, (b) critical test of existing theory, (c) a common case, or where it serves a (d) revelatory or (e) longitudinal purpose (Yin, 2014). On the other hand, Type 3 and Type 4 design is the multiple case holistic designs and multiple case embedded design.

The various units of analysis provide an opportunity to produce a compelling argument (Gray, 2014). The evidence from multiple cases are often considered more compelling and thus the overall study is more robust as compared to single case (Herriott & Firestone, 1983).

According to Yin (2014), each case for multiple-case studies have to be carefully selected so that it will predict similar result or contrasting result with anticipatable reasons. If the cases turn out as predicted then there would have compelling support provided for the set of propositions. However, if the cases are contradictory, the initial proposition must be revised. With multiple cases to be compared, the generality of the finding can be established in which the conditions are to be pinned down under which the findings are observed. It provide greater explanatory power and greater generalisability (Miles & Huberman, 1994).

Therefore, this study employs multiple holistic cases (4 each in Malaysia and Singapore) whereby there is only one unit of analysis. Multiple cases help to achieve robust findings and generalisation for the study.

3.1.3 Sources of Evidence

According to Gray (2014), the data collection method for qualitative research is highly flexible whereby it combines several methods and strategies instead of just adopting one strategy. Multiple sources of evidence in case study research enhance the researcher's ability to address broader range of behavioural and historical issue. The adoption of multiple sources of evidence allow and give space for the development of converging lines of inquiry. In this study, **interview and documentation** will be used as the data collection methods.

Interview is one of the key sources of case study evidence and it is commonly found in case study research. There is verbal exchange between the interviewer and interviewee in which the former seeks to acquire information from and gain an understanding of the latter and the latter would be invited to talk about their experiences, beliefs or attitudes, as an employer, employee, citizen or consumer (Rowley, 2012). It is a common way of accessing the perceptions of people, definition of situations, meanings and constructions of reality. Based on Cohen, Manion and Morrison (2000), interview has a number of different purposes whereby it firstly being used as the means of information gathering of an individual's values, knowledge, preferences and attitudes. Besides, it can be used to conduct hypothesis testing or to identify variables and the relationship among them. It can also be used together with other research techniques for instance, survey in order to have further follow up.

The validity of the interviews is crucial in qualitative study. It can be ensured by making sure that question content is concentrated directly on the research objectives. Arksey and Knight (1999) suggested that the validity of the interview can be enhanced with interview techniques that develop trust and rapport and thus allowing participants the scope to express themselves. Besides, the participants may be prompted to further expand and illustrate their initial responses. The interview process has to be ensured to be sufficiently long for subjects to be explored in depth. Apart from that, the interview schedules constructed that involves questions drawn from literature and from pilot work can help to enhance the validity of the interviews as well.

According to Yin (2014), the documentary information is relevant to every case study topic except for the studies of preliterate societies. It is increasingly available through Internet searches nowadays as the technology is advanced. Specifically for case study research, documentation is vital to corroborate and augment evidence from other source of evidence, which in this study, the interview. Firstly, it helps to verify the correct

spellings and title of names of organization and people that is mentioned in the interview. Moreover, it provides specific details to corroborate with other sources. For instance, if the documentary evidence is contradictory then the researcher ought to pursue the problem by inquiring further into the topic. Third, inferences can be made from documents. Through the observation of the distribution list for specific document, questions about communications and networking within an organization can be raised. With such values, documentation plays explicit role in every case study research, particularly in the data collection process.

This study carry out semi-structured interviews as it provides an opportunity for in depth discussion with the social entrepreneurs (interviewees) in both Singapore and Malaysia. The interview questions are designed to address the research questions of the study and the interviews remain open ended so that the social entrepreneurs can use their own words. Besides, interviewer can also add questions prior to the responses by the social entrepreneurs which are not formerly prepared. Semi-structured interview allows examination of view and opinions that is desirable for participants to expand their answers. This study also uses documentation as another source of evidence and the information is acquired from articles appear in mass media, memoranda, emails, handout by the social enterprise and so on.

3.2 Sample Selection

This study conducts comparative analysis of 4 cases of social entrepreneurship each from both Singapore and Malaysia that have been well-established and well-recognized by the media and society. In-depth interviews are done by the researcher will the social entrepreneurs in both Singapore and Malaysia.

The 4 social enterprises in Malaysia are selected out of the hundred social enterprises. In order to select social enterprises that are well-established, social enterprises who are well-known in Malaysia or have received the Social Enterprise Awards such as "Magic Amplify Awards" by Magic SE and "Entrepreneurs for Good" by Arthur Guinness Projects and The British Council are chosen as the samples for this study. The awards were granted to the social enterprises that have unique and innovative value proposition, are addressing social issues in Malaysia, have a credible team, a financially sustainable model and a potential to scale as well as opportunity to impact change in Malaysia (Magic Social Entrepreneurship, 2016). Among the award winners, Biji-biji, Leaderonomics, Epic and Batik Boutique are selected as case studies in Malaysia for the current research, as they are all located in Klang Valley.

As for Singapore, due to the limited access to information of social enterprises, the local expert is consulted to advice for the 4 social enterprises that will be chosen in this study. Prior to this research, Associate Professor Cheah, Lai Yin Sarah from National University of Singapore, have provided her assistance, collaborated and arranged the interview with the selected social entrepreneurs in Singapore through her research assistant. The selected social enterprises by her and her research assistant are the award winners of President Challenge of Social Enterprise Award in Singapore. The evaluation was done based on the social enterprise's social impact and the business operations, involving the leadership and governance, business performance and financial viability, innovation and productivity improvement and working environment (raiSE Singapore, 2017). ProAge, Play Moolah, Dignity Kitchen and Sustainable Living Lab are selected as cases from Singapore for this study.

As the project involved collaboration with Dr. Sarah, the interview questions (as shown in Appendix A) were developed and finalised upon the agreement of both parties in order to avoid similar questions being asked separately. The interview with the social

entrepreneurs of the selected social enterprises in both Malaysia and Singapore were conducted in a place as agreed upon. Some of the entrepreneurs who was busy or was not in the country requested for skype or phone interview instead.

The sample cases of social enterprises both in Malaysia and Singapore are chosen as they are recipients of Social Entrepreneurship Awards given in respective countries. The award winners were evaluated by expert panels and the award committees of the centre of social enterprises in both countries, which are Magic Social Enterprise in Malaysia and raiSE in Singapore. Thus, they are recognized as leading social enterprises with remarkable impact and credibility in respective countries. The selected social enterprises in both countries for this study are from urban areas so that they are compatible for comparison in terms of the geographical background.

3.2.1 Case Profiles of Social Enterprises in Malaysia

Biji-biji

Biji-biji is a social enterprise that was founded in 2012 with the mission to champion sustainable living and reduce waste through designing and building products out of discarded materials. The social enterprise aims to inspire a society to be aware of the environment and leave minimal impact on the environment.

The mission was formed through the appreciation and awareness of sustainability, together with the frustration from the way corporate business work- solely profit driven with no impact and value created. The 4 co-founders of Biji-biji were friends and housemates that love building upon ideas together. These young people started with "let's do something" after sharing so many ideas and frustration. It was started with making things from waste materials. Today, the company has total 11 equity partners and have rebranded themselves and offer more product and services.

Biji-biji generates income by offering five services, which through the five key departments of the social enterprise: Education, Sustainability, Fab!, Technology and Ethical Fashion. Each of them has their own unique chapter to champion with slight different impact. Education department teaches everything from brainstorming and design, to marketing and social entrepreneurship and it includes talks, workshop and Me.reka makerspace, which is the new brand by Biji-biji, serving as a physical space and inclusive platform to assess to tools as well as helping people to explore the future of making. Sustainability department is the driving force and foundation of Biji-biji whereby the service of sustainable event management is given. The social enterprise provides sustainable events and placemaking as well as sustainability consultancy and making the impact through the space design and curation, conscious bazzar curation, sustainability and waste management, campaign champions, event activities and fillers as well as corporate social responsibility. The Fab! Department, short name of Fabrication, however builds with most materials and create the best event props, furniture, art installation. They strive to push the limits of their imagination to conceive the solutions tomorrow. Its custom fabrication services have been of of the most recognizable works. On the other hand, Technology department is the electronic department whereby it champions energy efficiency and renewing alternative energy. The team is constantly challenged to design and produce creative electronic products and installation that contains sustainability and open source principles. Sustainable energy solutions, interactive installations and custom designs are focused by the department. Lastly, Ethical Fashion department is in mission on creating functional and beautiful bag designs without compromising the quality and passion for fashion by making upcycled bags out of discarded material such as seat belt, advertising banners and felt. The products are measured by the scoring mechanism named Biji scores in which it contains the environmental, economic and social impact- and thus, Ethical Fashion is named.

Biji-biji was the award winner for MagicSE Amplify Award 2015, Arthur Guinness Fund's Enrepreneurs for Good Award 2014, Tan Sri Entrepreneurship Award at the Alliance Bank BizSmart Academy SME Innovation Challanege 2014 and Technology Innovation Award for 2015 Frost & Sullivan Malaysia Excellence Awards.

<u>Leaderonomics</u>

Leaderonomics is a social enterprise with the core purpose of transforming nations through leadership development. With the vision of seeing nation transformed, the founder and co-founder held tightly to their missions to build leaders one at a time, which enable them to build communities of love and eventually, transforming the nation. The organization believe the greatness of leadership by setting new goals to challenge everyone to develop into leaders, playing major part in helping the world's leaders of all ages, ethnicities and classes and establishing leadership in all forms via transforming the minds and hearts or leaders.

Before Leaderonomics was founded, the founder question why some communities thrive while others languish in poverty and despair. The founder conducted series of experiments of recruiting both local university graduates and foreign university graduates to see their growth as employers tend to perceive foreign university graduates are better candidates compared to the local university graduates. The experiments proved and highlighted that leadership is not genetic but a learnt process and it began usually in childhood and school years. Thus, the co-founders decided to commit themselves to transform developing nations through leadership development. When a person grows to be a leader, their own community will be transformed and eventually leads to nation transformation. Thus, Leaderonomics was founded and the mission remains since then.

The organization has three divisions which are the corporate services, community and media. The structure reflects their purpose to provide leadership training to everyone.

The Corporate Service arm involves partnering with organizations to develop talents and structures to meet their business goals. Through bespoke design and customization of programmes, the clients get the best fitted solutions for their organisations. It is the main revenue sources of Leaderonomics, in which it helps to sustain the Community arm that aims to enable individuals in wider community to reach their leadership potential. The Community arm is the core reason why the organization is set up and the activities run here are non-revenue generating, and it is focused on the younger generation. The initiatives are customized to the needs and preference of target beneficiaries which includes, camps, clubs and even volunteer projects to instil the spirit of volunteerism and generosity among the young generation. The community work is categorized into 3 key areas which are Leaderonomics Youth, Leaderonomics Campus and Do Good. On the other hand, Media arms plays a role as a testament to the organisation's recognition that leadership content can be transmitted through varied channels for the purpose of reaching society effectively. Through the leveraging of technology, the content can be ensured to be assessed in enjoyable and convenient matter. The Media arm also helped to build the credibility and authority of the organization in the market place whereby influence can be made even greater to reach out to policy makers, teachers and even parents.

Epic

Founded in year 2010, Epic is a social enterprise with a vision to create a cooperative world with response-able people driven by a heart of service. It is particularly known with their campaign, Epic Home that aims to build relationships between urban and rural divide through the activity of building homes for underprivileged Malaysian communities, focusing on the indigenous people of Peninsular Malaysia, the Orang Asli.

The entire movement was started as a conversation over dinner table when four friends were discussing local issues through community work. However, the discussion ended with no action. As they search for small projects that can drive change in

community, someone brought them to an Orang Asli village the house was to be painted and the toilets were incomplete. Thus, the project to build toilet and paint houses for the Orang Asli was initiated as they saw their house was in state of disrepair. The small project hit with 64 committed individuals ranged from ages 13 to 60 from different countries around the world, which were beyond what the imagination of the young adults as they thought only tiny group of people will be joining. The authenticity of having everyone present to do whatever they could to help someone's lives have inspire them to keep this movement going, and thus birthed the entire social enterprise, Epic Collective.

The social enterprise has grown and changed their structure but constantly inspiring, mobilizing and empowering people to do extraordinary thing to impact the community. The team believe that everyone can serve and also should serve the people around them. Today, EPIC has a group of organisations which are Epic Collective, Epic Communities, Epic DNA and Epic Society. All of these lead to the campaign of the social enterprise which is Epic Homes, building homes to the Orang Asli.

The big vision of the social enterprise is fulfilled by the missions of the different organisations of EPIC. Epic Collective serves as the strategic consultant ad incubator and its mission is to build and to support platforms that inspire, mobilise and empower people for personal and community transformation. Besides, Epic Communities is a community-drive developer with the mission of Epic Communities however is to make an inclusive world possible by building cooperative, resilient and sustainable communities. Being an experiential learning company, Epic DNA serves its mission to make learning easy and relevant to grow response-able people with a heart of service. Epic Society however is the non-profit organization in which it receives funding from sponsors for projects and disburses to contractor or recipient for the Epic Home campaign. Each of the organization has its own products and services and drives the vision of the social enterprise together.

Batik Boutique

Batik Boutique is a social enterprise that was founded by Amy Blair in year 2010 with the mission of disrupting the cycle of poverty in Malaysia by employing women from low-income backgrounds and training them to produce gifts and fashion accessories made from batik, a traditional Malaysian fabric.

Leaving her hometown in Texas, US for an adventure to experience different cultures, she and her family came to Malaysia as her husband, Ryan Blair had a job opportunity here and she was invited by her friends to start a travel company in Penang. That was the time when she met Ana, a single mother whom she took language lesson from and became acquainted with her. Knowing she had a sewing machine, Amy bought batik fabric for Ana to make simple things for her to bring back to US for a holiday. Her family and friends were impressed with the colours and patterns of the batik and loved the gifts she bought back. After returning to Malaysia and brought the news to Ana, she felt proud and a few other women who lived near Ana started asking if they too could make her something. That is when Amy was inspired to help people like Ana, and know that she had to come up with something sustainable. She went to East Coast with her family to find out more about batik craft, she studied the art form, learning the motifs and the production process and recognized the opportunity she has. The souvenir gifts in Malaysia do not match up to other countries in Southeast Asia when there is such creative art exist in the country, there is an obvious gap between the artisans and the tourist. Thus, Amy's social entrepreneur journey begins.

As of year 2016, there have been around 177 people that have worked with Batik Boutique to gain a fair, sustainable income and marketable skills. The social enterprise do not just work with seamstresses in Kuala Lumpur but also different artisans from village-run batik suppliers in East Coast states such as Kelantan and Terengganu. Batik Boutique focus on high-volume wholesale orders which includes manufacturing for

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fashion labels as well as corporate gifts. 80% of The Batik Boutique's revenue is wholesale orders while the rest is from retail. Each purchase directly benefits the artisans who made it. The social enterprise's biggest breakthrough has been signing the contract with US fair trade label Raven + Lily that produces scarves, silk lounge wear and outerwear.

The Batik Boutique sells its products via website, studio in Desa Sri Hartamas and gift shop in Allison's Place, at the Petronas Twin Towers' gift shop, the National Texile Museum and social enterprise pop-up store The Good Shop. The price of the products range from US$12 (RM 51.60) for a key rob to US $54 (RM 232.70) for a swimsuit cover.

Today, The Batik Boutique is a proud winner of the Magic Amplify Award for Social Enterprise and has been featured in various magazines, newspaper and media channels as it continue to creating social impact through its business.

3.2.2 Case Profiles for Social Enterprises in Singapore

ProAge

ProAge is a social enterprise incorporated in 2008 to create opportunities for every individual to live and age well. It provides programmes and services with the objective of radically change how people age. To ProAge, every individual should have an opportunity to have the best possible quality of life, regardless of their background, age and abilities; and to remain engaged and empowered with the skills and knowledge to live and age well. Their programmes and services are based on three key foundations which are a holistic approach, belief in evidence-based practice and a socially inclusive mission.

The founder of ProAge, Isaiah had witnessed physiological decline and social stigma with regards to ageing that was evident in the society. As he used to volunteer himself in a nursing home, he also observed many people suffered and was not able to

age well due to various health problems. They were also not provided with good and holistic care. Therefore, the social enterprise was founded as a form of preventive measures and into management of health. Till date, ProAge works closely with government bodies, communities and companies to develop national health campaigns, community projects and workplace health programmes that empowers people with the needed health skills and also advocate on ageing well.

The programmes and services provided by the medical and fitness team at ProAge focus in 4 areas which are corporate health, community health, professional training and consultancy. It aims to reduce health risk, promote wellness and manage medical conditions of their clients in those areas. Apart from the products and services offered, the social enterprise is also convicted to impact lives and communities by having social mission and promote inclusiveness. For instance, ProAge organizes workshops and consultation to non-profit organizations for free or at nominal fees for the capability building objectives. Besides, the social enterprise also advocates on the positive aspects of ageing at organization level of national and corporate.

10,000 individuals are impacted annually through the Pro Age team as they inspire individuals to "changing how we age" radically. Their programmes and services span across Asia countries such as Singapore, Malaysia, Hong Kong and Malaysia. Particularly in Singapore, ProAge is a chosen service provider for the national "Wellness Programme", a long-term strategy to deal with the nation's ageing population. Besides, it is also the proud winner of The President's Challenge Social Enterprise Award 2017.

PlayMoolah

Founded in 2010, PlayMoolah is a social enterprise that empowers the next generation to be able to make smart money decisions by designing educational, digital and community solutions. The mission of the company covers three areas which are

product, economy and social mission. The product mission is to deliver the most effective and engaging financial education methods that guide and inspire people to use money in ways that improve the well-being for themselves and their communities. As for economic mission, it is to operate the company in ways that emphasize inclusive and long-term growth, to scale in a way that provides dignified work, meaning, and the creation of wealth for the stakeholders and community. On the other hand, the social mission is to use business as a force to reduce inequalities in the world and promote happier and more resilient communities across generations.

During the worst financial crisis for the millennials' generation on 2008, the seeds for PlayMoolah was planted. Both the founders of PlayMoolah was shaken to how the crisis has impacted the lives of ordinary people. Despite the financial turmoil, many were still unaware of their personal finance issues and money has been a place that is fraught with scarcity, fear and worry. They realized such problems often originated from families that struggled to develop this core life skill. Thus, PlayMoolah was founded to address this critical need. Its objective to remove everyone's fears around money, and transform the culture and practice of money for a better world for everyone. The team went down to the root of the problem, and came up with its on guiding framework and principles. PlayMoolah believe that money is only one form of capital out of the 7 forms of capital such as material, social, spiritual, nature, financial and time capital, which were inspired by the 8 forms of capital by Ethan Roland and Gregory Landua. With the right framework and understanding, people can use money as an enabler for a flourishing and impactful life through making smart decisions. The team empower people by making financial literacy fun and creating creative ways to package the material in engaging ways.

PlayMoolah designs educational, digital and community solutions that combine the behavioural research in all of their services provided. In the early years, the social enterprise focused on bridging the gap of knowing and doing among people, as everyone

knows savings benefits them yet few takes on the practice of saving. Besides, they also focused on reaching out to kids and parents, in which the parents' transformation will eventually benefits to the kids. The key target audience currently however is the youth that are earning money- be it part time or full time as they feel the pains and joys of dealing with money. As young people find it difficult to pay for the services, PlayMoolah works closely with government bodies, schools, corporate to reach out to groups of young people.

As of today, the work of PlayMoolah has reached over 100,000 kids, youth and young adult across the world. It is the proud winner of Young Social Enterprise Innovative Startup Challenge 2012 , President's Challenge Youth Social Enterprise of the Year 2015 (Commendation) while the co-founders were the award winners for the Young Women Innovators Award at the 2013 Asia Pacific Economic Cooperation (APEC) Women and the Economy Forum (WEF) in September 2013.

Dignity Kitchen

Dignity Kitchen is Singapore's first hawker training school for disabled and disadvantaged people. It is an award winning social enterprise under Project Dignity with the goal to create employment for people with disability and disadvantage. The goal is in line with the organization' mission which is to build and return dignity to the disabled and disadvantaged through vocation with passion. Besides, it also focuses on preserving the hawker heritage in Singapore. Founded in 2010, the social enterprise hold 4 basic principles whereby the beneficiaries first acquired skills followed by being given full employment and being paid well. The third principle will be to integrate them back to the society, paired up with the forth principle of social inclusion which is the acceptance of the society.

The idea of Dignity Kitchen started in 2006 when the founder of Dignity Kitchen was approached to do a project with Restaurant Association of Singapore and met a disabled man who wanted to be a chef. Even if the man was trained to be a chef, it will be difficult for him to be employed in a restaurant. Thus, the founder came up with an idea of training him as a hawker instead- as hawker serves only small variety of cuisine. The idea of Dignity Kitchen was then formed. He started off by looking for a location and getting people work together with him in starting a social enterprise. In October 2010, Dignity Kitchen was birthed in Balestier Roads with only 3 stalls as a test bed for testing the concept of Dignity Kitchen.

The social enterprise includes people who are physically disabled, mentally disabled, socially disabled and intellectually challenged. It strong believes in "teaching people how to fish instead of giving them the fish", and to give them their self respect and dignity that an individual deserves. Dignity Kitchen is part of the Project Dignity. Under Project Dignity, several other programs were run including Dignity Mama, Dignity Cottage and other social outreach programmes. Dignity Mama is a retail bookstore selling secondhand books by single mothers with kids with disabilities while Dignity Cottage helps disabled entrepreneur to sell their goods and also include people with extreme disability in the bird nest operation by picking bird nest. There are 5 streams of revenue which are the sales of food and products, delivery service, rental, training center and events running. The training provided in Dignity Kitchen generates the largest amount of revenue. The social outreach programs include lunch treat for the elderly, ultimate hawker dining, hawker for the day, working with the disabled and so on.

Today, Dignity Kitchen has trained over 400 individuals and successfully given job placements to them. It is also the first food court in the world to attain the USO 22000 certification for food safety management system. Besides, the training provided by Dignity Kitchen also offer programs of Singapore Workforce Skills Qualification (WSQ)

standards, which are conducted in a functional food court that allow students to acquire real-time experience and have hands-on learning opportunity.

<u>Sustainable Living Lab</u>

Sustainable Living Lab was founded in 2010 with the vision to build a sustainable future through community building, technology experimentation and social innovation. The social enterprise focuses on sustainable innovation programs and developing sustainable products for educational institutions, corporate clients and the publics. It carries missions that are based on 3 pillars of sustainability which are economy, environment and social sustainability, which is in line with the Sustainable Development Goal.

The idea of Sustainable Living Lab came about when the founder was in his degree on Mechanical Engineering in National University of Singapore. He and his team has been winning a lot prizes in the competition they participated in. The first project they took was to solve economic woes in rural India- whereby they devised a solar drying system that allowed food producers to meet the quality and handling standards for export that eventually raised their incomes. This has won them Daimler-Unesco Mondialogo Engineering Award. The experience has made them thought of applying engineering solutions to critical issues and also build sustainability from in terms of social, economic and environmental point of view. However, it was difficult for them to get a place to do their own projects and the resources are limited. They realized the need for a space in order to such things more consistently. Thus, he and his partner eventually settled for a lab in Ground-Up Initiatives and started the social enterprise. Currently, Sustainable Living Lab is on their 7th year of operation and is located in UWCSEA in Singapore.

Sustainable Living Lab creates social impact by pioneering maker movement and developing large segments of maker ecosystem in Singapore, starting a national

movement towards Repair in Singapore and also pioneering the concept of incidental sustainability. It has recently expanded its operations with an office in Jakarta, Indonesia which focuses on sustainable innovation, vocational training and agriculture technology. The programs of the social enterprise focuses on Sustainable Innovation Academy, Community Impact and Tech for Good. Sustainable Innovation Academy runs workshops on design thinking, biomimicry, futures thinking, lean start up, circular design, systems thinking and business model canvas design that result in sustainable value creation. On the other hand, the community impact program is the curation of self-driven learning communities to cultivate civic mindedness, digital inclusion and community cohesion. Tech for Good however creates physical and virtual innovation platforms such as makerspaces, hackathons and design challenges to bring sustainable innovations to life. The business models have kept changing along the years and the social enterprise never too depend or rely on single revenue.

Currently, Sustainable Living Lab has involved more than 30, 000 of participants in their programs, over 450 of impact partnerships and over 40 impact projects. It is also the proud winner of President's Challenge Youth Social Enterprise of the Year. Over the years, the social enterprise has partnered with global companies such as Intel, Autodesk, Bosch, Applied Materials, Bosch and a great number of government agencies in Singapore.

3.3 Data Analysis

The data analyses will be conducted after the in depth interview with the 8 social enterprises of this study. The interview recordings were transcribed and analysed according to the conceptual framework. Researcher check the interview transcript against

the notes that were taken during the interviews. It is being made sure that there is no major discrepancies with the content, aside from correcting and editing the interview quotes.

Data analysis involves examining, categorizing, tabulating or recombining the evidences to address the initial propositions of a study (Yin, 2009). According to Yin (2014), there are five analytic techniques for the data analysis of case study. The techniques are pattern matching, explanation building, time-series analysis, logic models and cross-case synthesis. For this study, cross-case synthesis is selected to analyse the data. Every investigation should have general analytic strategy and the analysis will rely on the theoretical proposition that has led to the case study (Yin, 2009).

Cross-case synthesis are common to the analysis of multiple cases in which the case study consist of at least two cases and above. The findings for multiple case studies are likely to be more robust as compared to merely single case study. Every individual case study is being treated as a separate study with this technique used. The significance of findings, categories, similarities and differences are influenced by the conceptual framework and theoretical insights into the specific research questions.

The analysis began by highlighting the key points in every transcripts of the interview and categorize them according to the variables proposed in the conceptual framework. The data is tabulated according to the three dimensions as mentioned in the conceptual framework which are individual, organization and environment. The individual dimension includes variables such as motivation, background and skills; organisation dimension includes mission, governance, learning and monitoring while environmental dimension includes variables such as social environment factors, institutional environment factors and public acceptance.

The analysis of the finding will be divided into three different parts, covering the three research questions of the study. The first part aims to analyse the fundamental

elements underpinning the existence of social enterprise. The second part will evaluate the factors leading to the growth and development of social enterprises while the third part focuses on the challenges faced by the fellow social entrepreneurs. The analysis will began with the selected social enterprises in Malaysia, followed by the social enterprises in Singapore and then proceed into the comparison of similarities and differences of the findings in both countries.

3.4 Chapter Summary

To sum up, the chapter covers the methodology used in this study which is case study method by using interviews and documentation as source of evidence. The following chapter covers the findings of the study.

CHAPTER 4 SOCIAL ENTERPRISE CASES IN MALAYSIA:

DATA ANALYSIS AND FINDINGS

4.0 Introduction

The selected social enterprises for the case studies in Malaysia are Biji-biji, Leaderonomics, Epic and Batik Boutique. The data collected from interviews transcription and documentation are presented in Appendix B.

4.1 Fundamental Elements underpinning the existence and sustainability of social enterprise

Table 4.1 Summary Profiles of Selected Social Enterprise Cases in Malaysia

	Biji-biji	Leaderonomics	Epic	Batik Boutique
Mission	- Champion sustainability - Share progressive ideas collectively - Reuse waste creatively and have collaborative production	- Vision: to see nation transformation - Mission: to build leaders one at a time, to build right value and enable them to lead community of love and eventually leading to nation transformation	- Vision: to create a cooperative world with response-able people driven by heart of service - **Missions divided among different organizations.** EPIC Collective: to build and support platforms that inspire, mobilize and empower people for personal and community transformation. EPIC Communities: to make an inclusive world possible by building cooperative, resilient and sustainable communities. EPIC DNA: to make learning easy and relevant to grow response-able people with heart of service.	- Vision: to empower hundreds of artisans by offering fair and sustainable income producing beautiful, high quality fashion and gifts. - Mission: to train women from low income backgrounds to produce gifts and fashion accessories made from batik in order to disrupt the cycle of poverty in Malaysia.

	Biji-biji	**Leaderonomics**	**Epic**	**Batik Boutique**
Business Model	- Offering five services with different departments. - **Education**: from brainstorming to design and makerspace - **Sustainability**: sustainable event management - **Fab!**: Fabricating with materials to new product - **Technology**: champions energy efficiency and renewing alternative energy. - **Ethical Fashion**: create functional and beautiful bag designs	- 3 divisions: corporate services, community and media. - Corporate service is the main revenue sources, helps to sustain the community arm- core reason of the set-up of the organization. Media- help build credibility and authority	- **Epic Collective**: Consultancy, communal space for co-working - **Epic Communities**: sustainable development, design and build as well as activation and rejuvenation. - **Epic DNA**: provides leadership training and learning programs - **Epic Society**: NGO, collecting public funds for Epic Home	- Sells products of gifts and fashion accessories made from batik, traditional Malaysian fabric - Involves employment of urban poor seamstresses and rural artisans.

Table 4.1 presents the summary from the company profiles of the 4 selected social enterprises in Malaysia and it conveys the fundamental elements underpinning the existence and sustainability of the social enterprises. Social enterprise is defined as business with primary objective to achieve social mission which surpluses are reinvested for the mission in the business or in community, rather than being driven by the need for profit maximization for shareholders and owners (DTI, 2002; as cited in Ridley-Duff & Bull, 2011). Thus, the mission of the social enterprise and the business model that helps operating in the market are the fundamental elements underpinning the existence and sustainability of the social enterprises. In order to fulfil the mission, the social enterprise has to have solid business model to sustain the business. According to How to choose business model (2015), the business model for social enterprise differs from classical business model, whereby it goes beyond generating economic value but also how to create social value in a measurable way. The social impact is embedded in the social enterprise business model itself.

The 4 selected social enterprises in Malaysia which are Biji-biji, Leaderonomics, Epic and Batik Boutique each targets different issues in the society as their social **mission**. Biji-biji tackles the environmental issues and promotes sustainability by reusing waste creatively and have collaborative production with its partners. Leaderonomics focuses on the importance on leadership whereby through building leaders one at a time, a community of love can be created and eventually lead to nation level transformation. On the other hand, Epic vision is to create a cooperative world with response-able people driven by the heart of service and each organizations created under Epic such as Epic Collective, Epic communities, Epics DNA and Epic Society carries different mission on their own. Batik Boutique however, has the mission of training women from low income backgrounds to produce gifts and fashion accessories made from batik in order to disrupt the cycle of poverty in Malaysia. The social mission carried by these 4 social enterprises selected as case studies in Malaysia underpins the very existence of the enterprise itself.

To sum up, although each social enterprise appears to have a specific mission itself, overall there are some common goals that underpin their missions. The goals include sustainability, environmental and social concerns, and community transformation.

Due to the different missions carried by the social enterprises, the **business model** also varies according to the social enterprise itself whereby it consists of fee-for-services, service subsidization and employment business model. For instance, Biji-biji offers five services to their customers in 5 different departments which are education, sustainability, Fab!, technology and ethical fashion departments. On the other hand, Epic provides services through three different organizations. Epic Collective provides consultancy and communal space for co-working; Epic Communities focuses on design and build as well as activation and rejuvenation while Epic DNA provides leadership training and learning programs. Epic Society which is a NGO, has the objective to collect public funds for Epic Home, a home building projects for Orang Asli in Malaysia initiated by the team which

was also the core antecedent of Epic being founded. These two social enterprises adopted the fee-for-service model, whereby they sell services with social or environmental values embedded directly to clients or third-party payer (How to choose business model, 2015). Leaderonomics however, has 3 divisions which are corporate services, community and media. The main revenue of the company is through offering leadership programs and training to corporates and it sustains the community arm in which the target beneficiaries are the younger generations. The media department helps build the company's credibility and authority. It is a service subsidization business model whereby the product or services are sold to external market to fund other social programs (How to choose business model, 2015). Batik Boutique's the source of income are like commercial organizations whereby they sell products to the public, which are gifts and fashion accessories made with Batik, Malaysia's traditional fabric. However, the social enterprise hires the urban poor communities and train them to become seamstress as well as work closely with the rural artisans who are the batik supplies in East Coast states such as Kelantan and Terengganu. It is the employment business model whereby employment opportunity and job training are given and the products or services are sold in the open market (How to choose business model, 2015).

To recapitulate, business the model employed by a social enterprise in Malaysia appears to be based on its mission goals. Broadly the business models employed by social enterprises fall into the following categories: fee-for-services, service subsidization and employment creation.

4.2 Enabling factors of growth and development of Social Enterprise

4.2.1 Individual

4.2.1.1 Motivation

Table 4.2   Motivation of the Social Entrepreneurs: Selected Cases in Malaysia

	Biji-biji	Leaderonomics	Epic	Batik Boutique
Motivation	-Aware of the importance of sustainability and lacking of it in current environment. -Frustration of current business operation that is merely profit driven. - Started with "let's do something" with the co-founders to execute the ideas discussed together.	-Seeing certain communities thrive while others still in poverty and despair -Did an experiment and proved that leadership is not genetic but a learnt process that usually begins in person's childhood and school years. -Knew that when one person is helped to be a leader, community can be transformed, and eventually nations will be transformed, the cycle repeats.	- Conversation over dinner table on overcoming local issues through community. - Started with "toilet building and painting" project with 64 committed individuals ranged from 13-60 from different countries, which is beyond the team's expectation of tiny group. - People look for opportunities to contribute to society, realize the need to make an impact and provide solutions, thus Epic Home begins.	- Met Ana, a single mother whom Amy, the founder took language lesson from. She made a couple of things with her sewing machine for Amy to bring back to US for holiday. - The friends love the gifts and Ana was happy and proud hearing it. Her friends also look for Amy to give the same services. - That's when she knew she has to come up with something sustainable to help the urban poor.

Motivation is one of the indicators for the individual factor that enables the growth and development of Social Enterprise in Malaysia. According to Shane and Venkataraman (2000), it is also an important role in the growth and success of a venture, despite its main role in leading to the start of a venture. As shown in Table 4.2, every venture starting a social enterprise began with a motivation which they help identify a gap in the market and look for opportunities for their business.

Biji-biji and Epic started with putting their ideas and discussion into their actions. Both of the social enterprises were engaged within the co-founders over the issues they realized in their daily lives. Coming from a corporate background, the founder is frustrated of the business operation that is only driven by profit. Together with the co-

founders, their awareness of the importance of sustainability and the lacking of it in current environment have led them to transform the ideas formed during discussion into little projects that eventually lead to the success of Biji-biji today. On the other hand, Epic's founders and co-founders team met in a leadership course with a mentor and their discussion includes seeking for opportunities to serve others. Their first project of "toilet building and painting" has successfully gathered many volunteers in short period of time and they manage to get similar response from their second project. As they realize people are seeking for opportunities to make an impact, they started Epic Home as they identify the need to provide solutions and make an impact in the society. As for Leaderonomics, the founders are always concerned on the communities who are still in poverty and despair. They identified that leadership is a learning process rather than a genetic trait through an experiment they carried out when they were working in corporates and conclude that it is the solution to the issue of poverty. "It is going to the heart of problem and fixing the root cause"- Ang, co-founder of Leaderonomics, highlighted the importance of leadership that can lead to nation transformation from repetitive cycle of an individual being raised to be a leader and have the community be transformed.[1] On the other hand, Amy, the founder of Batik Boutique discover the need to provide solutions for the urban poor communities like Ana, whom she hired as her Bahasa teacher and also have her made some gifts for her friends in US. Ana was happy and proud once she was told that everyone loved her handmade gifts and shared to her friends whom they seek Amy to be given the same opportunity. Amy was motivated by Ana's response and the other women's request and knew that she had to come up something sustainable to help the urban poor, and thus Batik Boutique was founded.

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[1] Interview with Ang, 7 August 2017, at Leaderonomics

The background and experience of the 4 selected social enterprises in Malaysia, it is apparent that the motivation of social entrepreneurs are the pull factors which are defined as finding solutions to unmet social needs experience from past and present life events, awareness since childhood and adulthood, and process evolution of an idea (Yitshaki & Kropp, 2016) as well as alertness to social cause (Omorede, 2014). It is evident that clear motivations are based on the absence of social business in the society and the inability of existing commercial business to meet social and community needs by addressing poverty and social exclusion, and community transformation through capacity building.

4.2.1.2 Background

Table 4.3 Background of the Social Entrepreneurs: Selected Cases in Malaysia

	Biji-biji	**Leaderonomics**	**Epic**	**Batik Boutique**
Background	- Used to be in accounting and finance, working in corporate. - The background help to understand the business, also the importance of brand and image that helps in doing proposal.	- From corporate background in which corporate leadership skill is acquired. - Were exposed to less fortunate communities since childhood also in many leadership position: in schools, co-curriculum and church ministry. - Helps to mobilize both childhood learnings, corporate learnings to start a company	- Was in an informal group with other founders and a mentor learning about leadership principle, spiritual influences, integrity and having vision for yourself - Was from an accounting corporate background, while the other founders were from graphic design and communication background.	- Amy: have been doing development work, volunteers' programs teaching English and aiding refuges. Worked in both commercial and non-profit organizations and have gained wide perspective on community development activities. - Ryan: hold MBA and joined company full time for 2 years to help with the development.

In addition, the background and experiences of an entrepreneurs also drive the venture forward (Bygrave, 1993). As shown in Table 4.3, all of the social entrepreneurs came from **corporate or finance background**, either from previous job or education acquired, which have helped them to run businesses. "Coming from corporate background, you kind off understand more like how do corporate stay, what matters to them which is the branding and image, it definitely helps in doing proposal.'' – Rashvin, founder of Biji-biji, mentioned how the corporate and finance background has helped him in business.[2] The co-founder of Epic was from an accounting background and is currently the Chief Finance Officer of Epic while Ryan's Master of Business Administration has also helped him with the business development of Batik Boutique.

Besides, *the previous personal experiences in leadership* of social entrepreneurs of Leaderonomics and Epic have also shaped the missions they hold for the organization. The founders of Leaderonomics were exposed to less fortunate communities since young and have been active in schools, co-curriculum and church ministry, in a leadership position. "We were able to mobilize both our childhood learnings, plus corporate learnings to actually start a company"- Ang, founder of Leaderonomics added that the passion was formed in childhood years and leadership experience during adult years have founded and sustained the business. [3] Besides, the founders have also **previous managerial experience** (Van De Ven, 1984; Van der Scheer, 2007). On the other hand, Epic's leadership experience began during their university years. "3 of us were always hungry to figure out how we can serve other people and inspire other people, story-telling, spend time with people, networking event we go to, do more leadership courses and continue learning." Loh, co-founder of Epic highlighted the entire organization is built

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[2] Interview with Rashvin, 23 Aug 2017, at Biji-biji.
[3] Interview with Ang, 7 August 2017, at Leaderonomics

upon the hunger to serve and inspire others as they gather as friends to learn about leadership and personal development. [4]

Besides, Amy's previous working experience in commercial and non-profit organisations have also helped to gain wide perspective on community development activities which are pivotal to her work today.

To recapitulate, the evidence from all the four selected cases in Malaysia show that prior managerial, professional and financial experience of the social entrepreneurs play a major role in the way their social enterprise are operated and perform. It is clear all these sample cases are run efficiently and successfully largely mostly because of the previous experience of the social entrepreneurs, for example in the corporate sector.

4.2.1.3 Skills

Table 4.4 Skills: Selected Cases of Social Enterprises in Malaysia

	Biji-biji	Leaderonomics	Epic	Batik Boutique
Skill	- Agility skill: to be adaptable to different situation - Humble and patient: to deal with people who have no regard in work they do, to communicate with people who don't share the same value and to inspire those who are not doing it correctly.	-Leadership skill and business skill -Not losing the mission. People will see the mission and want to be a part but the commitment level might not be the same.	- Leadership skill mostly built on the leadership course in the informal group. - Passionate purpose- alignment and purpose need to be clear - Business skill- set up, run, plan on resources, investment, and target for business development. - Trust and teamwork- not only working as team but also able to spilt up and trust everyone is doing their job.	- To have previous working experience. - Business skill: to understand business side of things, cash flow, and the basic things on business.

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[4] Interview with Loh, 25 July 2017, at Epic Home

The skills of the social entrepreneurs also contribute to the growth and development of the social enterprise. Table 4.4 shows that the founders of Leaderonomics, Epic and Batik Boutique have highlighted the importance of **business skill**. "From my point of view, I'm more experienced in business set up, how to run, planning on resources, investment, targets for business development, such skills and knowledge definitely required."- Loh, Epic added that business skill is a necessity for the growth and sustainability of a social enterprise.[5] Ryan, Batik Boutique also find having business skill helps to understand basic things on business, and Ang from Leaderonomics also expressed similar view.

Besides, **leadership skill** was also highlighted by social entrepreneurs of Leaderonomics and Epic in which their leadership skills are cultivated through their background. However, Rashvin from Biji-biji gave a different view in which "everything in terms of leading is learned from scratch as everything is different compared to corporate sector where everything is structured and straightforward".[6] The skill is acquired only upon running the social enterprise. In the study of Wronka (2013) in identifying critical success of social enterprises in Poland, strong leadership of the social entrepreneurs is found to be one of the variables that contributed to the success, which is similar to the findings of the study. Besides, the social entrepreneurs also possess necessary **managerial skills** prior to the previous working experience. Such skills are vital in managing the organization, especially in planning, measuring and budgeting as well as in the development of people.

In sustaining the social enterprise itself, it is also important to retain the mission and always realign back to the mission and purpose of the organization, according to founders of Leaderonomics and Epic. It is evident that **cognitive skill** is required in

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[5] Interview with Loh, 25 July 2017, at Epic Home
[6] Interview with Rashvin, 23 August 2017, at Biji-biji

running a social enterprise. Apart from these, the agility skill of the social entrepreneur to be adaptable to different situation is also find to be the important skill according to the founder of Biji-biji.

To sum up, it is evident among the selected cases that different skills including leadership, business management, cognitive skills, agility to adapt to different situations, play an important role in the way social enterprise operate and sustain. Particularly, the leadership skills, business operations skills and cognitive skill appear to be critical.

4.2.1.4 Summary of Individual factors

To summarize, the motivation indicator for Malaysia are the pull factors as it was due to the life in the present as the social entrepreneurs have passion for a cause and have intentional mindset. Besides, the background of the social entrepreneur is also a major factor towards the growth and sustainability of the social enterprises in Malaysia whereby all of the social entrepreneurs have previous working experience before venturing into social entrepreneurship. The corporate and finance education background, previous personal experiences in leadership and managerial experience have helped in sustaining the social enterprises. The background of the social entrepreneurs have shaped the skills that have been the success indicators in which the common skills mentioned by the social entrepreneurs was business skill, leadership skill and cognitive skill. Besides, agility skill is also perceived to be needed skills leading to the success of social enterprise.

4.2.2 Organization

4.2.2.1 Mission

Table 4.5 Mission: Selected Cases of Social Enterprises in Malaysia

Organization	Biji-biji	Leaderonomics	Epic	Batik Boutique
Mission	- Champion sustainability - Share progressive ideas collectively - Reuse waste creatively and have collaborative production *mission has been evolved but not changed, purpose still same but what we do is now bigger	- Vision: to see nation transformation - Mission: to build leaders one at a time, to build right value and enable them to lead community of love and eventually leading to nation transformation *mission has only been changed one word so far. Focus has always been the same	- Vision: to create a cooperative world with response-able people driven by heart of service - Missions divided among different organizations. EPIC Collective: to build and support platforms that inspire, mobilize and empower people for personal and community transformation. EPIC Communities: to make an inclusive world possible by building cooperative, resilient and sustainable communities. EPIC DNA: to make learning easy and relevant to grow response-able people with heart of service. *evolved along the years	- Vision: to empower hundreds of artisans by offering fair and sustainable income producing beautiful, high quality fashion and gifts. - Mission: to train women from low income backgrounds to produce gifts and fashion accessories made from batik in order to disrupt the cycle of poverty in Malaysia. *developed the wordings, pretty much the same.

As discussed earlier, the mission of the social enterprise has been the core purpose of the social enterprise, in which it is the fundamental element underpinning the existence and sustainability of social enterprise.

Table 4.5 presents the missions carried by the four social enterprises selected for the cases of Malaysia and each of them creates their impact differently by tackling different issues in the society. It is shown that all the social entrepreneurs claimed that the mission and the purpose of the organization has always been the same. All of the selected social enterprises in Malaysia only modified its mission in terms of wordings such as the case of Leaderonomics and Batik Boutique. "The company develops organically, the

mission is still kept that way, and that itself hasn't changed" Ryan, Batik Boutique highlighted that the core mission has never change despite the growth of the company[7]. Social enterprises like Biji-biji and Epic also have their mission remained the same, but it has been evolved along the years as the enterprise grows bigger. Epic has rebranded their social enterprise, but the very core mission and purpose of why it is created remain the same.

To sum up, the core mission and purpose of the social enterprises in Malaysia has been the same along the year despite going through rebranding and expansion in the organization.

4.2.2.2 Governance

Table 4.6 Governance: Selected Cases of Social Enterprises in Malaysia

Organization	Biji-biji	Leaderonomics	Epic	Batik Boutique
Governance	- CEO, then different department heads and their own autonomy. - Clients' projects decided within the HOD) - Materials (30-40%), Salaries (30%), Overheads (10%) and reinvestment (20-30%)	-Senior leadership team leading the operations. -Founders don't deal with operation anymore, but only with new ideas, new phrase as well as restructuring organization.	- CEO, CFO and COO. - Flows to department heads and their respective teams. - Decision making involves the meeting of department heads and the top managements together. Always come together regarding anything new contract, business models.	- Big project- Amy work with production supervisor on the quotes, prices etc for the decision making. - Has three different management level people in organization, with their respective teams. - It's not management of marketing business, but management of empowerment.

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[7] Interview with Ryan, 27 September 2017, via phone interview.

Organization	Biji-biji	Leaderonomics	Epic	Batik Boutique
Governance	- Every department has its own sales target, set by the collective sales target. The department meet with the business developments weekly to discuss. - Anything urgent will refer to top level	-Decision making – senior leaders will in charge of the day to day operation -Strategic decision and long term plans will be by the founders	- Operation matter decision making will be own team meeting. - EPIC Society: it's a Registar of society, like a foundation. Meet every quarter with two other people out of organization as accountability.	- More on empowering and helping management level and beneficiaries to take responsibility and initiative. - Flat structure

Sharir and Lerner (2006) evaluates the governance of the social enterprise and the analysis shows that the social enterprises in the study have poor governance board performance and the social entrepreneurs attempt to retain the implementation power. Table 4.6 shows the governance of the selected social enterprises in Malaysia. Leaderonomics which have been founded for nearly 10 years, have changed its structure whereby the founders currently only deal with new ideas, new phrase and restructuring organization. The day-to-day operation decision are taken by the senior leaders while long term plans and strategic decisions are made by the founders. As for Biji-biji and Epic, the decision making especially with clients' projects and new contracts are discussed within the top management and the respective Head of Department but the operational matter decision making is within the operational team itself. For instance, every department in Biji-biji will be given their own sales target according to the collective sales target, and the department will meet with their business development executives to discuss weekly. The similar governance can also be seen in Epic where the operational matters will be discussed in the team meeting itself in order to make decisions. On the other hand, the decision making of Batik Boutique on the big projects closely involves the production supervisors due to the nature of their business in order to quote the prices for the products and to ensure the seamstresses were able to finish the works on time. To the organization,

it is a management of empowerment rather than management of business as the management level and beneficiaries are empowered to take responsibility and initiative in Batik Boutique.

To recapitulate, it is evident from the cases that the social enterprises tend to have a flat structure organization whereby relationship with the employees and their personal empowerment is considered as a top priority. Even though the governance structure in some cases look vertical, in practice they operate as flat organizations.

4.2.2.3 Learning

Table 4.7 Learning: Selected Cases of Social Enterprises in Malaysia

Organization	Biji-biji	Leaderonomics	Epic	Batik Boutique
Learning	- Internal training. Different departments share different knowledge - This year started external training due to budget concern (eg: digital marketing training, safe equipment training) - The rest are internal training and on the job training. Not structured.	- Being in training industry, it has a lot on the job training – all kinds of leadership training. - Learning Fridays. Learn everything else except leadership - Also bring faculty outside to learn, to engage with different partners - Internal training-leadership talent program where younger one go through 18 months program, the team leads and captain of management go through different programs - Also have field visits to other organization to learn how others do their team leadership.	- Informally and formally- done by the DNA team. - DNA team organizes the training and the experience one will teach, eg: how to run event EPIC style - External training: CFO going for the CFO course, a leadership course for 8 months - Believe training is important for the organization.	- Lots of training for the seamstresses. But a few for management team, but only a bit internal training with the office staff. - Seamstresses are trained by own staffs. Most training is done informally.

The study done by Sharir and Lerner (2006) showed that the ability of the service to stand the market test contributes to the success of a social enterprise. According to Spear (2006), the learning and knowledge in the organization plays an important role in influencing the success or failure of the social enterprise as it provides and strengthens the skills of the employees in the organizations. Four of the selected social enterprises in Malaysia recognize the importance of the learning of the employees and thus provided training (see Table 4.7). Being in training industry, Leaderonomics provide internal training with its own leadership talent program for the newer employees to go through 18 months program, while the team leads and captain of management go through different programs. It ensures employees of different levels acquired the skills they needed for the organization. Epic, having a training team on his own called the DNA team, have also provided and conducted its own internal training to the employees whereby the experienced employees will teach the newer employees. The four social enterprises conducted internal training to their staffs, but only Biji-biji and Epic has given external training by acquire training from the other organizations. "The external training only started this year on digital marketing training and safe equipment training due to the budget concerns in the past few years." Rashvin, Biji-biji has shown external training has not been a priority to the organization due to the budget concerns whereby internal training done by the experienced staffs helped to save cost and impart skills to the new staffs. [8]

It is clear that both internal and external training are important for sustaining social enterprises. They help learning in terms of leadership and managerial skills, and productivity enhancement. However, the external training is not emphasized as most training are done internally that also helps organisation to save cost.

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[8] Interview with Rashvin, 23 August 2017, at Biji-biji

4.2.2.4 Monitoring

Table 4.8 Monitoring: Selected Cases of Social Enterprises in Malaysia

Organization	Biji-biji	Leaderonomics	Epic	Batik Boutique
Monitoring	- **Staff evaluation performance**: Goals settings and reviews, against your own goals. - Own goals will be in line with organizations'. Whoever comes in will have the goals set. - Don't have strict matrix but it's done informally. - **Finance**: P&L to keep track - **Social impact**: indicators and target according to Sustainable Development Goals.	- **Staff evaluation performance**: Personal development plan: we set goals upfront at the beginning of the year and evaluate at the year end. Do peers feedback, on culture and value piece: everyone get to rate. - **Finance**: like normal companies, with financial reports, shared with leaders, shareholders and town halls. - It's always a balance to continue doing what we do. - **Social Impact:** go by reach- how many schools penetrated, how many youths went through leadership camps, clubs, how many children sponsored in programs. Also track the number and impact we can journey somebody throughout their growth in leadership.	- **Staff evaluation performance:** KPI not set yet, don't have dedicated person to look into it. Informally done, depending on leader. Some observes, some are more achievement wise. Don't have strict HR structure - **Finance:** P&L. Make decisions based on targets and budgets. Review opportunity by making sure salary can be paid. - **Social Impact:** more on evaluating. Hardly have guideline, but will make sure there is an impact on things we do.	- **Staff evaluation performance:** For beneficiaries- set goals every quarter, professionally and personally, we help them reach goals and see the progress Also see what's going well, what they learn, like to learn. Similar to the office staffs, review goals. - **Finance:** P&L. costs of goods sold, sale increase annual year analysis. - **Social impact:** measure in track with the seamstresses, the pay we give them, also track as a whole for all artisans payment, artisans we engage, pieces produced and number of trainings given.

According to Hoogendoorn et al. (2010), great professionalization is often required in social enterprise sector and it is expected to have intensive performance monitoring. In this study, the monitoring of the social enterprises is evaluated in 3 areas which are staff evaluation performance, finance and social impact. Table 4.8 shows that most of the **evaluation on staff performance** are based on the individual's personal goals and development. For instance, Biji-biji did goals setting and reviews with the staffs in which the individuals' goal is in line with the goals of organizations. Besides,

Leaderonomics also set a personal development plan with the staffs whereby the goals were set at the beginning for the year and evaluation will be done at the year end. The similar evaluation also seen in Batik Boutique whereby the goals were not only set professionally but also personally in order to help them to improve themselves. As for Epic, the evaluation of staff is depending on the leaders themselves in which some observes the performance and some are more achievement wise. Overall, the staff evaluation of the social enterprises in Malaysia is done informally. According to Rashvin, Biji-biji: "We haven't done a strict matrix performance evaluation. After every project we don't have evaluation of performance, it's more of informal feedback", and Rashvin, Biji-biji further added that the evaluation was done in an informal way.[9] Similar practice is followed in Leaderonomics, Epic and Batik Boutique.

As for the **financial performance** of the company, keeping and distributing accurate financial records have been one of the variables that contribute to the success of social enterprises, based on the study done by Wronka (2013) in identifying critical success of the social enterprises in Poland. According to Table 4.8, the social enterprise keeps track of their finance performance just as the commercial enterprise and they use Profit and Loss (P&L) and sales analyses used to ensure that the company makes profit. "We review opportunity of our operation, if can pay salary then we will proceed, if not we will discuss further with clients"- Loh, Epic added that every decision is based on the targets and budgets of the company[10]. Despite having mission as the core purpose of running a social enterprise, the social entrepreneurs also find a balance in between profit and mission, in order that the social enterprise is profitable enough to sustain themselves.

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[9] Interview with Rashvin, 23 August 2017, at Biji-biji

[10] Interview with Loh, 25 July 2017, at Epic Home

Every social enterprise carries different social mission and thus it has been difficult to evaluate the **social impact** that every enterprise creates. "Social impact goals mostly just evaluate, very fluffy. Hardly have guidelines, based on what you think but always makes you're to make an impact" – Loh, Epic highlighted that every projects taken in Epic will be considered of the possible impact created for example to engage with community.[9] The social impact is evaluated according to the different mission that the social enterprise carries and the nature of their business. For instance, Biji-biji evaluates the impact with indicators and targets according to the Sustainable Development Goals set by the United Nations. "Before this we only measured our own impact, no target. This year we set a target and we measure against the target. It's a sustainability report." Rashvin, Biji-biji added that the social enterprise set target on how many designs, workshops, pay gap composition in order to track the impact.[8] Leaderonomics however, track the impact by seeing the numbers of schools penetrated, youths that went through the leadership camps or clubs and children who were sponsored in the programs. Thus, it can be observed that the social impact is monitored according to the products and services provided.

Just like the case of commercial enterprise, a social enterprise needs robust monitoring mechanisms to ensure achieving intended targets related to social impacts and financial sustainability. However, there is yet proper systems for staff performance evaluation and social impact measurement as they are conducted informally while the financial performance is tracked similarly as the commercial business.

4.2.2.5 Summary of Organisation Factor

To summarize, the core mission and purpose of the social enterprises in Malaysia has been the same along the year despite the rebranding and expansion of the organization. With regards to the governance, social enterprises have flat structure whereby relationship with employees are prioritized. For the learning indicator, the social enterprises recognize the importance of learning of the employees and have provided trainings to enhance their learning and knowledge. However, most of the trainings are done internally as they save cost and while external training is seen to be practiced in some social enterprises, they are not emphasized. With regards to the monitoring in the organisation, there is yet a proper system for staff performance evaluation and social impact measurement as they are done informally among the social enterprises. The financial performance however is tracked just as the commercial business.

4.2.3 Environment

4.2.3.1 Social Environmental Factor

Table 4.9 Social Environmental Factors:

Selected Cases of Social Enterprises in Malaysia

Environment	Biji-biji	Leaderonomics	Epic	Batik Boutique
Social Environment Factors	- University-USCI: want to work across the board, with scholar programs, sending scholars to us. - Volunteers participating in programs - Grants from British Council	- When we partner, we sell idea for people to partner with us. - The Star: pumped us very big capital to start in our early years, so we were ready to run. - Already have funding from Star, so we went fast and didn't explore to get grants.	- Toilet project via crowd sourcing. - First house was fully sponsored by construction company CEO, by our close uncle's friend. - Volunteers happen to be engineers and architects, help improve design. - NGOs. If they have volunteer, we train and send them back. Work together to create a model community. - Universities-mostly volunteering students.	- Grant 15k from private company - 90% of the income are mainly from sales.

According to Jiao (2011), social environment factors refer to the incubators for social enterprise's activities and research institution. The incubator environment performs its intermediary function by providing training, technical advice, networking or financial planning as a compensation for the social entrepreneur's limited knowledge and expertise (Sharir & Lerner, 2006). However, the intermediary function of the social environments towards social enterprises in Malaysia mainly focuses on grants, volunteers and partnerships (see Table 4.9). For example, Biji-biji and Epic work closely with the volunteers from various sectors including students from universities. Biji-biji, Leaderonomics and Batik Boutique however received grants that helped their business developments from private organizations such as British Council and TheStar. Specifically for Biji-biji, British Council also has given training and advice to manage the organization along with the 'Entrepreneurs for Good Social Enterprise Awards'. Other than that, the social enterprises also work with their business partners from the private sectors and public sector in order to sustain their business. Each of the partnership and business opportunity given to the social entrepreneurs in forms of business or procurement have been vital in sustaining their social enterprises financially. In short, the social environmental factors play a major role towards social enterprise's sustainability mainly through supports such as grants, partnership and volunteerism.

4.2.3.2 Institutional Environmental Factor

Table 4.10 Institutional Environmental Factors:

Selected Cases of Social Enterprises in Malaysia

Environment	Biji-biji	Leaderonomics	Epic	Batik Boutique
Institutional Environment Factors	- Grants from Magic SE - KBS: work with us as mentors for youth, put us into programs to inspire other youth organization. - MagicSE giving us grants, meet us to know our plans so they know how to help us - Some reach out to you to listen to what's your plan, they're proactive to engage.	- MDEC grant for startups where you claim your startup fees. RM40k we got from them. - Work with agency, eg: TalentCorp where they took our leadership program and we partner with them and open door for one another. - Not much of support but when we propose idea people support the idea we hav	- Started with government grants. - MagicSE help through network connection and exposure. Amplify Awards- give us advice, help us coordinate funds grants and invitation o networking events and training programs. - MYCORPS project (Malaysian Youth Volunteering Program) Peace CORP- int rn tional volunteer p ogram sending elites around the world. We w nt to Cambodia- teach cooking, leadership, community development. Were the consultant and trainers, on how to run MyCorps. - Getting in touch with government: huge booster, hire more people, develop our curriculum, and improve building system.	- Started getting in touch with MagicSE on year 2015 as we won the Amplify Awards.

The institutional environment also act as an intermediary function whereby it provides training, technical advice, networking or financial planning as suggested by Sharir and Lerner (2006). Table 4.10 shows the institutional support that has been given to the 4 selected social enterprises in Malaysia especially by the government. Institution like MagicSE and Ministry of Youth and Sports have been a few of the major intermediaries towards the growth and development of the social enterprises in Malaysia. Biji-biji, Epic and Batik Boutique were the proud winner of Amplify Awards which is the grant given by the Magic Social Entrepreneurship as a mandate of government's support to the social enterprises. Amplify Awards provided grants, giving advices and

helped the social enterprise to coordinate funds. Besides, as the social enterprises connect closely with MagicSE, they were invited to networking events and training programs. It is also observed that the Ministry of Youth and Sports work closely with the social enterprises such as Biji-biji and Epic with respect to their business model and the impact they create to the society. Biji-biji were the mentors for youth in programs held by the Ministry of Youth and Sports to inspire the other youth organization. On the other hand, Epic was given the opportunity to be a part of MYCORPS (Malaysian Youth Volunteering Project) as the trainers and consultants to teach leadership and community development in the programs. Such opportunity given by the government has been a huge booster whereby the social enterprise was able to hire more people, develop their curriculum and improve their building system.

However, Leaderonomics' support from government was not social entrepreneurship based, the only support given was a start-up grant provided by the MDEC (Malaysia Digital Economy Corporation), a government-owned agency. "After that, everything else we have to work with agency."- Ang, Leaderonomics highlighted that it is partnership with the government sector such as Talent Corporation where they propose an idea and they support the idea by partnering together. "In the early stage we have funding from The Star already, we went quite fast so we didn't really go explore to get grants", Ang also added that the company was surging forward after the grant provided by The Star Company. [11]

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[11] Interview with Ang, 7 August 2017, at Leaderonomics.

4.2.3.3 Public Acceptance

Table 4.11 Public Acceptance: Selected Cases of Social Enterprises in Malaysia

Environment	Biji-biji	Leaderonomics	Epic	Batik Boutique
Public Acceptance	- Only acknowledge ourselves as social enterprise upon receiving British council grant-Entrepreneurs for Good competition. - Before this, people were not really aware but now they do especially the repeated clients, awareness is much more now. - If public acceptance increases, will help more. It is also an increase in importance of impact and transparency, people get to know the negative impact of normal business create.	- Started acknowledging ourselves as Social enterprise as we first and foremost started with a mission, in nowhere we will let go of the mission. - Public don't really know we are SE even we always say it, they don't realize anything different. Many confuse us with NGO, and question why it is charged. - Awareness will help as corporate nowadays like SE and more lenient to SE. But for Leaderonomics, we don't know it's a benefit- people don't see us as SE, too big to be one in fact.	- Still in the transition as many still see us as NGO. - We train people and sell lifestyle but people only see us as builder hats. We are not just CSR contractors, but we train people. We rebranded. - Volunteers aware that we are SE.	- Some work with us because of our quality and design and prices, some because of our stories as social enterprise. - Sometimes people think we are SE and that quality might not be good, but we are of high quality. If there is more public awareness of SE, it will help the company.

Table 4.11 provides an overview of public acceptance of selected cases of social enterprises in Malaysia. Public acceptance is also one of the variables that contribute to the success of the social enterprise (Sharir and Lerner, 2006) whereby the acceptance of the venture idea in the public discourse is one of the success factors of social enterprise in their study. When asked regarding the social entrepreneurs' view on public acceptance towards their company being a social enterprise, Biji-biji have seen the difference in public as people are getting more aware of social enterprise while Epic is still in the transition as they have just rebranded the organization. However, the public's view of the company being a social enterprise for Leaderonomics and Batik Boutique show different findings instead. Many don't realize the difference despite letting publics know about

them being social enterprise. For example, some are still confused and raise the question on why Leaderonomics as NGO charges for the services. "It's just that for us we don't know if it's a benefit, because people don't really see us as social enterprise, you are too big to be one". Ang, Leaderonomics added that public has the misconception that social enterprise has to be small and is struggling despite their growth and development to be a successful social enterprise[12]. As for Batik Boutique, the public has different responses as some purchase their products due to its quality, design and prices while some is because of their stories as social enterprise. However, people who know them as social enterprise might have the misconception that the quality of the product might not be good. As for Epic, the social enterprise is still in transition as many still see them as NGO whereby Epic Home has been a known projects to many but the company is expanding to provide many other services for their business operation.

4.2.3.4 Summary of Environmental Factors

As a summary, the social environmental factor that social enterprises in Malaysia experience are mainly giving support in terms of grants and partnerships received from both public and private sectors and volunteerism from public or university students. The private sector support came from the clients or customers of the products and services provided by the social enterprises who helped them in sustaining their business and social mission. Besides, the institutional environment in Malaysia has contributed to the growth and sustainability of the social enterprises especially the government agencies. Most of the selected social enterprises are working closely and supported by organizations such as MagicSE, and the Center of Social Enterprise in Malaysia. They have won the social enterprise awards, Amplify Awards from MagicSE and has been given support in terms

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[12] Interview with Ang, 7 August 2017, at Leaderonomics.

of grants, advices and networking. Besides, British Council and Ministry of Youth and Sports have also been the major support from institutions environments. As for the public acceptance indicator, it is found that generally people are getting more aware of social enterprises as compared to the early days as their business have expanded. However, there is still misconception on the nature of social enterprise as people expect things to be free or the quality of product might not be good due to the social mission embedded.

4.3 The Challenges Faced by the Social Enterprises

Table 4.12 Challenges: Selected Cases of Social Enterprises in Malaysia

	Biji-biji	Leaderonomics	Epic	Batik Boutique
Challenges	- Cash flow main problem, have to fund everything first - Marketing- don't have the budget. - Communicate the value: cost higher due to the embedded social environmental impact but can't be marketed	- Retaining missions - Reinvent the organization: challenged with the risk that we can get as organization go bigger - Wisdom: to know enough and learn fast enough - Inexperienced employees	- Can't afford to get professional people - Finance will always be a challenge- but the company is getting hand of it, planning forward and seeing opportunity coming in	- Cash flow. Decisions are careful with how money is spent. - Finding right people to work with. - Quality and time delivery standard – work with urban poor and rural artisans.

Muñoz (2010) categorize the challenges of international social entrepreneurship into internal and external challenge. Similarly, this study investigates the challenge of social enterprise internally and externally.

The main problem of challenge for social enterprise as shown in Table 4.12 is the **cash flow and the finance of the enterprise** faced by Biji-biji, Epic and Batik Boutique. For Biji-biji, the enterprise has to fund everything themselves beforehand as proposal takes long time and big companies normally have long payment term. The tight budget has also restrained the company to do marketing for the brand. Batik Boutique also face challenges with cash flow where they have to monitor their income and be very careful

how the money is spent. In fact, the social enterprise had loan with an investor as the company could not surge to the next stage without the amount of funds. Though finance has always been a challenge to Epic, the team is getting more at hand as they plan forward and start seeing more opportunities coming their ways.

Besides, the challenge with the **employees and also getting talents to work with** are also faced by the social enterprises such as Leaderonomics, Epic and Batik Boutique. "Internally we don't have people know all about legal in business or have the experience. We are all in the process of knowledge. It slows things down, coupled with facts that we need to take care of marginalized group."- Loh, Epic highlighted the difficulty of getting professionals to work with has slowed the operation as the team has to spend more time to learn the knowledge.[13] For Batik Boutique, there was a lot of time invested in each employee in order to help them grow personally and professionally. Besides, it is a challenge to find right people for the few spot in the company. "People we put an ad out for and contact to us does not seem to do as well as people who found us themselves and took initiative to ask us for a position"- Ryan, Batik Boutique also emphasized the challenge of getting right people to contribute to the company.[14] As for Leaderonomics, the challenge is the inexperienced employees as there is a lot hand-guiding needed with the newer batch of staffs by giving more training and development as compared to the early days when everyone is experienced.

Leaderonomics, having to sustain their business for nearly 10 years face different challenge as compared to the other social enterprise. For instance, **retaining missions** have been a challenged in which the people that joined the company may not share the same founding years and reasons of why the social enterprise was started. "It's the founders' vision, it may not be same as theirs, commitment and steadfastness is actually

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[13] Interview with Loh, 25 July 2017, at Epic Home
[14] Interview with Ryan, 27 September 2017, via phone interview.

different"- Ang, Leaderonomics added that the employees may not has the same drive and commitment that the founders have, it is a challenge to constantly keep the mission and stay focused with the expansion of the team.[15] However, the founders found their solutions to take on the role of enforcing the mission while letting go to let the senior management team to handle the operation. Besides, Leaderonomics also face challenge of **reinventing the organization** as they do not have the experience towards the future they foresee. The team is more thoughtful, calculative and have more concerns with taking up risk as compared to the early days as the organization becomes bigger.

The other challenges faced by the social enterprise are also based on the nature of the business they are running. For instance, it is a difficulty for Biji-biji to **communicate the value of their products and services.** The normal commercial enterprise only focus on marketing their design as there is no social environment impact involved. However, Biji-biji's products cost higher due to the embedded social environmental impact which increases the cost. However, the value of the products are difficult to be promoted and understood by the public. As for Batik Boutique, the social enterprise works closely with not only urban poor beneficiaries but also the artisans in rural area. Thus, there has been challenge with the **quality of the product and the time delivery standard of the business.**

It can be concluded that **cash flow and talent acquisition** is the most common internal organisation challenges faced by the social enterprises in Malaysia. Leaderonomics which have been around for nearly 10 years, have challenges with retaining its mission and reinventing the organization. Meanwhile, the other social enterprises also face external organisation challenge that has to do with their business

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[15] Interview with Ang, 7 August 2017, at Leaderonomics.

operations such as difficulty to communicate the value of the products and services faced by Biji-biji and challenge in quality and time delivery standard by Batik Boutique.

4.4 Chapter Summary

To sum up, the chapter discusses the findings from the social enterprises cases in Malaysia covering the research questions of the fundamental elements underpinning the existence and sustainability, factors leading to the growth and development and the challenges faced by the social enterprises. It is shown that the elements underpinning their existences are their mission specifically on sustainability, environmental, social concerns and community transformation as well as their business models such as fee-for-services, services subsidization and employment creation to sustain their mission. For factors leading to the growth and development of the social enterprise, motivation with pull factors, the background of managerial, professional and financial background as well as the leadership, business and cognitive skills have contribute to the individual factor. As for the organization factor, the persistence in keeping the core mission, flat government structure, focus on learning via internal and external training as well as the informal ways of monitoring performance have led to their development along the years. The social environmental factor in terms of grants, volunteerism, advices and partnerships, the institutional environment factors particularly the major support from the governments in terms of grants, advices and networking have been the major influence towards the growth of social enterprise. Despite the increase in public acceptance, misconception on nature of social enterprise is still evident, and thus may not seem to be a vital contribution to their growth. The challenges faced by the social enterprise cases in Malaysia are internal organisation challenges such as cash flow and finance challenge, talent acquisition challenge and retaining missions and reinventing organizations. Communicating product value and meeting quality of product and time delivery standard are also found to be the external organisation challenges faced by the social enterprises.

CHAPTER 5

SOCIAL ENTERPRISE CASES IN SINGAPORE:
DATA ANALYSIS AND FINDINGS

5.0 Introduction

The selected social enterprises for the case studies in Singapore are ProAge, PlayMoolah, Dignity Kitchen and Sustainable Living Lab. The data collected from interviews transcription and documentation are presented in Appendix C.

5.1 Fundamental Elements underpinning the Existence of Social Enterprise

Table 5.1 Summary Profiles of Selected Social Enterprise Cases in Singapore

	ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Mission	- To create opportunities for individual to live and age well by delivering health and wellness programmes and services at nation, community and individual levels. - Based on 3 key foundations: holistic approach, belief in evidence-based practice and a socially inclusive mission	**Mission divided into three.** - **Product mission:** to deliver the most effective and engaging financial education methods that guide and inspire people to use money in ways that improve well-being for themselves and communities - **Economic mission:** to operate company in ways that emphasize inclusive and long term growth, to scale in way that provides dignified work, meaning and the creation of wealth for stakeholders and community - **Social mission:** to use business as a force to reduce inequalities in the world and promote happier and more resilient communities across generations.	To build and return dignity to the disadvantaged and disabled through vocation with passion.	- To build a sustainable future through community building, technology experimentation and social Innovation - Mission is based on 3 pillars of sustainability: economic, environment and social sustainability-SDG helps to refine what we do

	ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Business Model	- Corporate Health - Community Health - Professional Training - Consultancy: to government agencies and organisations interested in senior-specific programmes/ initiatives - ImproVee: new app that aim to decrease metabolic risk factors through "smart coaching" Social give back: - Targeted Subsidisation and Funding - Advocacy - Capability building Volunteerism	- Education Programme: MoolahWorks- young working adults, 18 and older MoolahRun- youth 13 and older Moolahsophy- bootcampfor kids 7-12 years old - Community: encourage and support each other after Honesty Circle Small steps: financial health check online, 21 day challenges	- Dignity Kitchen: provides training as main revenue, job placement to the trainees, sell hawker food to the public - Dignity Mama: retail bookstore selling secondhand books by single mothers and kids with disabilities - Dignity Cottage: disabled entrepreneur to sell their goods, include people with extreme disability in bird nest operation by picking	- Sustainable Innovation Academy: runs workshops on design thinking, circular design, lean start up, biomimicry and so on that result in sustainable value creation - Community impact program: curation of self-driven learning communities to cultivate civic mindedness, digital inclusion and community cohesion - Tech for Good: creates physical and virtual innovation platform such as makerspaces, hackathons and design challenge to bring sustainable innovations.

Table 5.1 presents the summary from the company profiles of the 4 selected social enterprises in Singapore and it shows the fundamental elements underpinning the existence and sustainability of social enterprise. The mission and the business models are the fundamental elements underpinning the existence and sustainability of social enterprises. In order to fulfil its own mission, the organization has to have solid business model to sustain the business.

The 4 selected social enterprises in Singapore are ProAge Pte Ltd, PlayMoolah, Dignity Kitchen and Sustainable Living Lab (SL^2). Each social enterprise addresses different issues in the society as their mission. ProAge focuses on the health issue among the aging group whereby its mission is to create opportunities for individual to live and

age well by delivering health and wellness programs and services at nation, community and individual levels. The organization hold on to 3 key foundations which are taking holistic approach, having belief in evidence-based practice and a socially inclusive mission. On the other hand, PlayMoolah has 3 missions from the areas of product, economic and social. The product mission is to deliver most effective and engaging financial education methods that guide and inspire people to use money in ways that improve themselves. The economic mission is to emphasize inclusive and long term growth and provide dignified work, meaning and creating of wealth for stakeholders and community while the social mission is to use business as a force to reduce inequalities in the world and promote resilient communities among generations. On the other hand, Dignity Kitchen has the mission to build and return dignity to the disadvantaged and disabled through vocation with passion. Sustainable Living Lab's mission however, is to build sustainable future through community building, technology experimentation and social innovation. Its mission is based on 3 pillars of sustainability such as economic, environment and social sustainability and the Sustainable Development Goals helps to refine what they do.

To sum up, each social enterprise has their own specific mission. Overall, there are goals underpinning their missions which are environmental and sustainability, health awareness among citizens, financial literacy and social inclusion.

As the social enterprises carry different mission, the business model also varies according to the social enterprise itself. ProAge provides services such as Corporate Health, Community Health, Professional Training, Consultancy and ImproVee which is an online app. Its specific social mission and roles are to give targeted subsidization and funding, create advocacy, provide capability building to non-profit organizations focusing on elders and improve health literacy of volunteers. It is evident that it adopts the service subsidization business model whereby according to How to choose business

model (2015), it sells product or services to external market to fund their social programs. On the other hand, PlayMoolah provides education programme and training in which different programs are prepared for different age groups, covering kids from 7-12, youth from 13 and older as well as young working adults who are 18 and above. It also creates digital platform to engage participants in community. As for Sustainable Living Lab, the services provided are sustainable innovation academy, community impact program and tech for good in which all is focused on sustainable value creation. These two social enterprises adopt the fee-for-service business model, in which the services are soil with social or environmental values embedded directly to clients or third-party payer (How to choose business model, 2015). Dignity Kitchen have their main revenue from Dignity Kitchen whereby they provide training for people who are socially disadvantaged and provide job placement in their own hawker food center and sell food to the public. They have other businesses such as Dignity Mama which is a retail bookstore selling second hand books and Dignity Cottage that sell disabled entrepreneur's goods and also running bird nest operation. It is the employment business model in which job training and employment opportunity is given and the products and services are sold in open market (How to choose business model, 2015).

To summarize, the business model employed by the selected social enterprises in Singapore are based on their mission goals. The business models included are fees-for-services, service subsidization and employment creation.

5.2 Enabling factors of growth and development of Social Enterprise in Malaysia

5.2.1 Individual

5.2.1.1 Motivation

Table 5.2 Motivation of the Social Entrepreneurs: Selected cases in Singapore

	ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Motivation	- Volunteering effort in nursing home. Saw people suffered and many people would like to have opportunity to age well - People suffer as they are not provided with good and holistic care and other care industries are expansive - Want to part problem from upstream area, so we went into a form of preventive measure and management of health.	- During worst financial crisis for millennials' generation on 2008, both founders were shaken how crisis impacted lives of ordinary people - Many still unaware of their personal finance issue and money has been a place with scarcity, fear and worry. - Problem often originated from families that struggled to have this life skill. - PlayMoolah founded to address the critical need.	- Have always been volunteering. Do something good, one day a month. - Idea started when founder was approached to do a project with Restaurant Association of Singapore and met a disabled man who wanted to be a chef. Even he's trained, it is difficult for him to be employed. - Came up with idea of training him as a hawker instead- as it serves only small variety of cuisine. - Dignity Kitchen birthed in October 2010 with only 3 stalls.	- Participating in various competition during university years and won prizes and money. - Realize that he's good in it and have built profile. - It was difficult for them to get place to do their own projects so they settled for a lab in Ground-Up initiative and started Sustainability Living Lab.

Shaw and Carter (2007) argued that the drive and determination is also one of the traits and behaviors of social entrepreneurs, which are similar to the commercial entrepreneurs. It is the drive and motivation that social entrepreneurs have that kept the social enterprise going. Table 5.2 shows the motivation of social entrepreneurs. The founders of ProAge and Dignity Kitchen used to **volunteer and involve themselves in social work**. During his volunteering in nursing home, the founder witness the suffering of many old people that would like to be given opportunity to age well and that they are not provided with good and holistic care. "I wanted to part the problem from the upstream area, that's why we went into a form of preventive measures and management of health,"

Isaiah, founder of ProAge added on how ProAge was founded.[16] As for Dignity Kitchen, the founder met a disabled man who wanted to be a chef during a project he ran. As he knew that despite the disabled man to be trained, it will be difficult for him to be employed. He came out with the idea of training him as a hawker instead as it serves only small variety of cuisine which then lead to the birth of Dignity Kitchen. On the other hand, PlayMoolah was founded as the founders were shaken how crisis impacted lives of people and many still unaware of their personal issue as well as money has been a scarcity where people have fear and worry. It can be seen that the motivation of the three social enterprises are resulted from push factors such as the life events in the present (Yitshaki and Kropp, 2016). However, the founder of Sustainable Living Lab has motivation that is due to push factors such as natural option for career development (Yitshaki and Kropp, 2016). "The fact that you win so many times means you are good in it right, and you operate some confidence as well," Veerappan, founder of Sustainable Living Lab highlighted of him winning in the competition he participated during university years which has built their profile.[17] As the team faced difficulty to have venue to do their projects, they settled for a lab in Ground-Up Initiative and started Sustainable Living Lab.

Thus, the motivation of social entrepreneurs consist of pull and push factors. The three social enterprises such as ProAge, PlayMoolah and Dignity Kitchen motivation are based on life events in the present (pull factor) whereby they have passion for a cause and intentional mindset (Omorade, 2014). On the other hand, the motivation of founder of Sustainable Living Lab is driven by push factor, whereby it is a natural option for career development from the opportunity discovered (Yitshaki & Kropp, 2016) knowing they are good at what they do as evident from winning many rounds of competitions.

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[16] Interview with Isaiah, 1 August 2017, via Skype call.
[17] Interview with Veerappan, 27 July 2017, at Sustainable Living Lab

5.2.1.2 Background

Table 5.3 Background: Selected Cases in Singapore

	ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Background	- from studies- only give basic qualifications - Skill in business was through mistakes made. Started business at age of 17 and ProAge is the 3rd business	- Am passionate about education and to pick up skills that help in real world - Family and own background is in finance, but interest is in technology and design, the mix has formed SE, but the degree in finance didn't contribute much - Basics accounting helps building blocks but don't need degree to learn.	- Mechanical engineering first class honor and master degree in computer integrated manufacturing in UK. - Was a shipyard worker, foundry manager in UK. - Back in Singapore in 1994, also a lecturer in Singapore university.	- Studied mechanical engineering in NUS and was involved in student competition. - Background has no relevance to sustaining the SE. Competition is relevant. - Competition help to meet other people, build network, have trust relationship and meeting other team.

Table 5.3 shows the background of the social entrepreneurs of the 4 social enterprises selected for the case of Singapore. It is shown that both founders of ProAge and Dignity Kitchen has had more **managerial background**. For instance, ProAge has started business at age of 17 and ProAge is his third business. The past mistakes and experience has given him the business skill and also helped him in his entrepreneurship journey. The founder of Dignity Kitchen was highly educated and has hold manager position in UK before coming back to Singapore. Those experience and background has benefited him in sustaining the social enterprise.

As for PlayMoolah and Sustainable Living Lab, the founders were the graduates of National University of Singapore (NUS). However, both founders claimed that their **educational background was not the major contribution towards sustaining the social enterprise**. For PlayMoolah, the founder's background was in finance whereby she had a degree on finance and is from a family with finance background. However, her interest has been in technology and design, and together with her passion on education

has formed PlayMoolah. "This degree trains you to be a very good manager, but not much to start a business or run a business enterprise because social enterprises go everything against what was taught in school."[18] While mentioning that the educational background did not contribute to the sustainability of PlayMoolah, Lee, the founder added that managing a social enterprise was not taught in the textbook and while the basics of accounting are useful building blocks, a degree was not needed for such building blocks. As for Sustainable Living Lab, the Mechanical Engineering degree has no relevance to sustaining the social enterprise but instead the competition that the founder has participated. It helps to meet other people, build network and have trust relationship and meet other teams. Besides, the founder of ProAge also added that his studies mainly give him basic qualifications.

Through the background of social entrepreneurs in Singapore, it is observed that the educational background did not contribute much to the social entrepreneurship journey but the managerial experience in the past has greatly benefited in sustaining a social enterprise.

5.2.1.3 Skill

Table 5.4 Skill: Selected Cases of Social Enterprises in Singapore

	ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Skill	- To really have the heart, need to be driven day and night - Think of things throughout, wanting to make a change - Finding people who believe in your vision - To articulate vision - Finding models to fit both goals (cognitive skill) - Business skill - Entrepreneurial skill	- Creativity skills. One cannot have a scarcity mindset. - Empathy and listening- with a tech solution, the input output is very predictable, but working in social enterprise is a lot more complex. - Innovate skill	- Entrepreneurial skills - Network skill - Have experience of managing F&B operation - Persevere in entrepreneurship - Management skill	- Skills for product and services - Business running part can always learn on the go. - Our SE: to build stuff- have to know the core skill to do. Once the value is delivered, can start thinking how to make it scalable business. - Network skill

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[18] Interview with Lee, 31 July 2017, via Skype call.

Table 5.4 shows the skills acquired by the social entrepreneurs that have contributed to the growth and sustainability of the social enterprise. It is discovered that **entrepreneurial and managerial skill** is essential as it is seen in ProAge and suggested by Dignity Kitchen. The background of ProAge has helped in developing the skills. As for Dignity Kitchen, the background contribute to the managerial skill but the entrepreneurship skill was self-acquired.

Besides, **network skill** acquired by the founder of Dignity Kitchen and Sustainable Living Lab also played a role in the sustainability of the social enterprise. Specifically for Sustainable Living Lab, the competition has helped the founder greatly with their social enterprise as they meet different people which it has shown that network skill is vital for the success and sustainability of the social enterprise. This is in line with the findings of Sharir and Lerner (2006) whereby the entrepreneurs' social network is one of the success factors of the social enterprise.

As for PlayMoolah, the founder picked that **creativity** skill of the social entrepreneur has been necessary as one cannot have a scarcity mindset. "With tech solution- the input output very predictable, but when we work in social enterprise the solution become a lot more complex," it can be seen that the founder also have innovate skill in solving solution with new ideas using technology. Besides, the founder of ProAge has also shown the importance of cognitive skill in sustaining social enterprise. "First is to articulate the vision so others can follow, second is to find the sweet spot to find certain model that helps give you both goals," Isaiah added that it is important to have the drive day and night to make changes and having right people to join based on the vision and finding the right business model to achieve goals socially and financially. This has shown that having **cognitive skill** creates different solutions and ideas especially in seeking opportunity in the market.

To sum up, it is evident that the social entrepreneurs in the selected cases have different skills including entrepreneurial and managerial skill, network skill, creativity skill and cognitive skill that have play important roles in the way social enterprise operate and sustain.

5.2.1.4 Summary of Individual Factor

As a summary, the motivations of the social entrepreneurs are not merely due to the pull factors such as the life events in the present but also the due to the push factors whereby it is the career development choice of the social entrepreneur. Besides, the background of social entrepreneurs especially in previous working experience have contributed to the organization. It is found that managerial and business background are the common indicators that have helped in growing and sustaining the social enterprises. However, the education background does not contribute towards the journey of maintaining a social enterprise. The common skills that contribute to the social enterprises in Singapore includes entrepreneurial skill, managerial skill and network skill. These skills acquired by the social entrepreneurs were the outcomes of their previous background and experiences. Besides, the skills such as creative and cognitive skills are also found to be important in sustaining the social enterprise.

5.2.2 Organisation

5.2.2.1 Mission

Table 5.5 Mission: Selected Cases of Social Enterprises in Singapore

		ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Mission		- To create opportunities for individual to live and age well by delivering health and wellness programmes and services at nation, community and individual levels. - Based on 3 key foundations: holistic approach, belief in evidence-based practice and a socially inclusive mission *mission not change-but was refined	**Mission divided into three.** - **Product mission:** to deliver the most effective and engaging financial education methods that guide and inspire people to use money in ways that improve well-being for themselves and communities - **Economic mission:** to operate company in ways that emphasize inclusive and long term growth, to scale in way that provides dignified work, meaning and the creation of wealth for stakeholders and community - **Social mission:** to use business as a force to reduce inequalities in the world and promote happier and more resilient communities across generations. ***intention never change, the way it articulates changes**	- To build and return dignity to the disadvantaged and disabled through vocation with passion. *hasn't been changed	- To build a sustainable future through community building, technology experimentation and social Innovation - Mission is based on 3 pillars of sustainability: economic, environment and social sustainability-SDG helps to refine what we do *not changed significantly. With SDG, it helps to refine and set target (well known in the industries)

Table 5.5 present the missions carried by the 4 social enterprises in Singapore, whereby as discussed earlier, it is the core purpose of the social enterprise, in which it is the fundamental element underpinning the existence of the social enterprise. It is seen that all of the social enterprise has not change the missions but has refined them. An interesting case can be seen through the case of PlayMoolah. Previously, the company's business model has always been making money and sponsor on the "do good" part which they felt was not aligned. The turning point came when they got mentored by Ben and Jerry and was introduced with the three part missions and that the social mission was integrated in the operation of the business. "The intention has never changed, but the way

it has been articulated and the clarity of that has definitely evolved over time," Lee, the founder emphasizes whereby things have evolved over time together with the change of business model but the very core purpose of why PlayMoolah was founded remains.[19]

ProAge, Dignity Kitchen and Sustainable Living Lab have also been sticking to their mission over the years of operation. As the organization grows bigger, the mission will be refined and have better clarity. For instance, the Sustainable Development Goals have helped to refine the mission by focusing sustainability in 3 main goal areas such as economic, environment and social sustainability.

It is observed that the solid mission and firm core purpose of the social enterprises play a big role in their success and sustainability. Motivated by the mission itself, social enterprises will constantly change their structure and business model via innovative and creative thinking in order to achieve both finance and social goals, in which some social enterprises includes the environment goals.

5.2.2.2 Governance

Table 5.6 Governance: Selected Cases of Social Enterprises in Singapore

	ProAge	**PlayMoolah**	**Dignity Kitchen**	**Sustainable Living Lab**
Governance	- Board Members don't get involved in day to day operation - Decision making mainly by management team, many leads in different teams for different function. All come together to make decision. - Two levels: executive and junior - Flat structure, basically like a family, keeping it flexible	- Flat structure, 5 members with 30-60 trainers. Everyone comes together to even decide on each other's salaries. - Both founders are away doing different things but other members are taking care of the company.	- Everything structured formally. - Director, with finance manager, general manager, training manager and counselling manager below. - Under these four will be different business operation under Dignity Kitchen. - Entire operation is centralized under HQ, training part is separate entity	- Divide in terms of units, each unit is particular area focused on project. Also have an international office in Jakarta. - Most decision making will be within the founders, if it's something new. - Common operation decision made and decide within the teams themselves.

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[19] Interview with Lee, 31 July 2017, via Skype calls.

Table 5.6 presents the governance of the social enterprises selected for Singapore. One interesting finding will be the flat structure in the governance of ProAge, especially as the social enterprise has operated for around 10 years. The staffs are merely two levels which are executive and junior and everyone is like a family where the structure is more flexible. PlayMoolah, having to be operating for 7 years has also remained a flat structure as there is only 5 members in the organization with 30 to 60 trainers. According to Lee, the founder of PlayMoolah, the team decided on each other's salaries at the start of 2017 and this has shown the flat and flexible structure of the social enterprise, coupled up with the transparency of the founders with the staffs. Nonetheless, Dignity Kitchen which has also operated for 10 years, have formal structure in terms of its governance. "With the kind of background (management consultant company), we structure very formally," Mr Koh emphasizes that the background has helped structuring the governance of the social enterprise. [20]

In terms of decision making, common operations will normally be run by the team itself as shown in ProAge, PlayMoolah and Sustainable Living Lab. In ProAge, the board members do not get involved in day to day operation, but the decision making is done by the management team whereby the leads from different teams will come together for decision making. As for Sustainable Living lab, common operation decision is made within the team themselves while strategic decision or anything new will be decided by the founders themselves. On the other hand, the daily operations and decisions of PlayMoolah is also in charged by the team whereby the founders are of advisory role and only have to oversee the organization. It is seen that the organization structure of the social enterprises is rather flat whereby close relationship is prioritized and everything is flexible in the organization.

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[20] Interview with Koh, 16 October 2017, via Skype calls.

To recapitulate, the selected social enterprises in Singapore operate in flat and flexible governance structure despite having formal hierarchical structure in the organization. The relationship between the team is of bigger priority despite operating for many years and have grown mature in the sector.

5.2.2.3 Learning

Table 5.7 Learning: Selected Cases of Social Enterprises in Singapore

	ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Learning	- been training staff in nursing homes and day care centres to run classes for patients. - Curriculum that trains people to healthy coach, to be ProAgers to impact people of community and corporations.	- As training and development sector, have a lot of accountability and coaching of each other. - Founder go through valuable training and also send the employees to specific workshops, invest a lot in training.	- Every year staff will have training for workshop. - Will explain to them the direction of the company. - Beginning of the year give them feedback on the year before, second part of the year update them on what's happening.	- Most people do not know anything here, as it is not something they can learn in schools so we will have to train. - Staff that has worked longer will teach, not a mentor thing but a proper training. - Will always be a forever and regular thing unless it's busy period.

Spear (2006) emphasize that learning and knowledge in organization plays vital role in the success of social enterprise as it provides and strengthens skills of employees in the organizations. PlayMoolah, being a training and development sector have coaching and accountability among each other. Besides, the founder herself also attend training that is valuable and send staff to specific workshops, indicating the constant learning of the team in which the skills and knowledge strengthened acquired will help the social enterprise. Dignity Kitchen, being training organization itself have also provided training to the staff by organizing workshop and retreat. This ensure the staff have improvement and have feedback on the place they work at during the retreat organized. On the other hand, Sustainable Living Lab's employees go through proper training once they enter into

the social enterprise. "None of the thing you do here you can learn in school, we have to train them," Veerappan, the founder of Sustainable Living Lab added that in the organization, training is a regular thing whereby the training include closing a sale, 3D painting, planning a lesson or an event or 3D painting and so on.[21]

To summarize, the social enterprise emphasizes on the staff's learning and knowledge by providing training to the employees as it helps in productivity enhancement. However, the social enterprises in Singapore generally focuses more on internal training

5.2.2.4 Monitoring

Table 5.8 Monitoring: Selected Cases of Social Enterprises in Singapore

		ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Monitoring		- **Staff Performance Evaluation** Used to practice and helped by SPRING Now it's a culture of nurturing won family Staffs with supervisor, on things being done and their personal space Turn performance evaluation into nurturing opportunity. - **Finance**: Revenue from sales, looks at margins and profit bottom line	- **Staff Performance Evaluation** Review on one another. Also receive feedback from the trainers but process isn't formalized. Post mortem after every event to share on the performance and give feedback - **Finance:** Cash flow. Check if we are still sustainable or in a healthy place.	- **Staff Performance Evaluation** We don't just treat them but train and place them, as it serves the objective. More people trained, the more it serves the objective. Put them on training and know what they want to cook and put them into whole system. - **Finance**: Every month generate AP and AR and will look through.	- **Staff Performance Evaluation** Not formally as there are not a lot people. More on observing - **Finance**: Look at runway, see how much cash in bank and how many months can last. Also look at top line revenue and profit.

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[21] Interview with Veerappan, 27 July 2017, at Sustainable Living Lab

	ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
	- **Social impact**: Health of customers- utmost importance. Measure straight from operation teams, the team has the numbers and report to us a quarterly basis. Currently changing as it goes to digital- might have new social impact as online and offline services are provided.	- **Social:** Every program has a pre and post. Refer back to the 3 parts of missions. Programs will be in terms of delta change in what participants' experience. SRIO (social return of investment) impact measurement with Prof Albert Teo from NUS. Number of trainers that pass through, engagement level of trainers, impact of beneficiaries- program specific	**Social Impact**: After training we place them with jobs. Track through CPF, Singapore government will check. 30 to 40% of those we employed and placed are still in their first job.	**Social Impact**: according to programs and project, eg: Repair Kopitiam. The number of volunteers, items repaired, audiences reached out. Many things are new, thus no benchmark standard. Always measure against what we measured the previous year.

Hoogendoorn et al. (2010) emphasizes the importance of intensive performance monitoring towards the success of social enterprise. Table 5.8 shows the staff performance evaluation, financial performance and the social impact monitoring of the social enterprises selected for the cases of Singapore. It can be seen that the four social enterprises in Singapore do not have proper and formal staff performance evaluation system. According to Sustainability Living Lab, the evaluation was only done based on observation and it was not done formally as the organization has not many people. PlayMoolah however has review on one another and have post mortem after every event for feedback sessions. As for Dignity Kitchen, the people or trainees that have been trained will be assigned for job placement for in the organization according to what they want to cook.

The finding for ProAge is rather interesting. The organization used to have a system for staff performance evaluation in which SPRING (Standards, Productivity and Innovation Board) has provided guidance. "We gave people scores and it wasn't very nice," Isaiah, the founder added that currently the system was not practiced but instead it

turns into a culture of nurturing in the organization as a family.[22] After every key project, the staffs will have a session with their supervisor where they reflect on the work done and also their personal life. "We have turned the performance evaluation into a nurturing opportunity to see if each other is living up to their own life purpose," the founder is not just concerned about the organization itself, but also focused on the nurturing of every team members whereby their own personal life and goals were concerned at the same time.

As Wronka (2013) stresses on the importance of keeping and distributing accurate financial records. Table 5.6 show that all of the 4 social enterprises keep track of their **financial performance** the same way with the commercial enterprise by looking at the profits and margin through the sales or services provided or the cash flow of the organization. As for Sustainable Living Lab, the founder does not just look at the top line revenue and profit, but also on the cash runway of the organization, which is the time or money with which they can operate in the red. "More profit we look at runway, not so much of looking at profit...we try to keep it within 6 months," the founder, Veerappan added that runway is also another components the organization keep track on their financial performance.[23]

Besides, the social entrepreneurs were also interviewed on how the **social impact** was being tracked in the organization. The social impact has been a challenge of many to measure, most of the social enterprises track the impact based on the programs and services they provided. For instance, the social impact of ProAge was measured according to the numbers that were reported by the operation team to the founder or board member on a quarterly basis. "We're using digital platform to manage the health of people who are generally chronically ill, so once we go into digital space, we believe that there will

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[22] Interview with Isaiah, 1 August 2017, via Skype call.
[23] Interview with Veerappan, 27 July 2017, at Sustainable Living Lab

be a new social impact," Isaiah, the founder added that the organization has expanded their services whereby it is provided both online and offline and it may create new social impact as well. [24] Besides, the social impact of Sustainable Living Lab is tracked according to the programs and projects whereby the organization look at the number of volunteers, items repaired and the audiences new. "Because there's always new stuff, so we always measure against what we already measured previously," Veerappan added that the programs run by the organization has always been new and thus there was no certain benchmark whereby the impact can only be measured against what has been done the previous year.[25] While for Dignity Kitchen, the social impact is seen as the trainees are placed with jobs in the organization or found job placement in the society. "Over the last 7 years, they actually took a sample and you will be surprise that over 30 to 40% of those people we employed and placed are still in their job," Koh, the founder added that the government tracked via the Central Provident Fund (CPF) of the employees in which the employers ought to pay to their employees. [26] As the organisation's business model including proving job opportunity to its beneficiaries, the social impact can be tracked by the government who track via the CPF given.

Apart of these, there is also interesting findings on PlayMoolah in which the organization do not just track its social impact via the programs but also via special measurement suggested by NUS. In PlayMoolah, every program will have pre and post whereby it will refer to the 3 parts of the organization's mission which are in terms of product, economic and social mission. The monitoring will be in terms of the delta change in the participants experience, whereby the organization also track the number of trainers that pass through, engagement level of the trainers, and impact of the beneficiaries according to the specific programs. Apart from this, the organization has also done Social

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[24] Interview with Isaiah, 1 August 2017, via Skype call
[25] Interview with Veerappan, 27 July 2017, via Sustainable Living Lab
[26] Interview with Koh, 16 October 2017, via Skype call

Return of Investment (SRIO) impact measurement assessment with Professor Albert Teo from NUS. For instance, for the impact of Moolahrun which is one of the programs run by PlayMoolah, it is found that every 1 dollar invested have 3.8 dollars of social return. Such assessment has only been seen in PlayMoolah as they worked closely with the network and connection the founders have with NUS.

To sum up, the social enterprise are still using informal ways in monitoring their performances in terms of staff evaluation, finance and social impact. However, it is evident that the social enterprise in Singapore have worked with government or university in the attempt of using monitoring them formally. Specifically for staff evaluation performance, ProAge felt that the informal way that emphasizes on employee's personal empowerment will work better as compared to the formal score system on employees.

5.2.2.5 Summary of Organization Factor

To summarize, the social enterprises in Singapore has undergone different growth and evolved in their business model but the mission generally has been the same with its core purpose and intention as it got refined along the years. The governance of the social enterprise however shows that the common operations decision making will be run by the team itself. Besides, it is also seen commonly that the structure of the organization is mostly flat whereby there is close relationship between the executives and the employees. As for the learning indicator, the importance of having knowledge enhanced is acknowledged in the social enterprises. Internal training is provided in all of the selected social enterprises but only one social enterprise has offered external training. As for the monitoring in terms of staff performance, the four social enterprises do not have proper and formal staff performance evaluation system whereby it was done on personal reviewing or observing. However, one of the enterprise has undergone proper staff

performance evaluation which they eventually changed into a culture of nurturing in the organization as a family whereby the personal life and goals were also being concerned. Besides, the social enterprise do not just track their financial performance via cash flow or profits and margins through sales, one of the social enterprise also look at the organization's runway by keeping it within 6 months. The social impact however was measured according to the programs and services they provided such as the numbers reported by operation team, number of volunteers involved, number of employees employed and placed in jobs. Nonetheless, one of the social enterprises have also done a special measurement for social impact which is the Social Return of Investment (SRIO) impact measurement assessment together with professor from NUS.

5.2.3 Environment

5.2.3.1 Social Environment Factor

Table 5.9 Social Environment Factor:

Selected Cases of Social Enterprises in Singapore

	ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Social Environment Factors	- a lot of partners (private companies), on various projects	- Service contract instead of grant to deliver programs, training and consultancies – which made the revenues. - Started up with own funds and raised money - Worked with OCBC and DBS during early days but mission wasn't aligned but has given us lot visibility - NUS has been great help to the company.	- Public who come to support by buying food and products (for Dignity Kitchen and also Dignity Mama) - Work with contractors a lot. Running a fully retail store and hawker center, we have a lot of people to work with.	- Cheap rent: now in UMCSEA rental for free. First location: NGO give subsidy of rent. - People who support bring in customers, volunteers bring in customers, the company they work - Grants end eventually, but business remains repeated - NUS enterprise- start up fund of 7k. - Nanyang Technopreneurship Center in NTU- support us since we took part in the competition after our uni. We won and they supported ever since. We run hackathon for them 2 times last 5 years, have been strong hold of support.

Sharir and Lerner (2006) refer social environment factors to the incubators for social enterprise where they perform intermediary function by providing training, technical advice, networking or financial planning as compensation for the social entrepreneur's limited knowledge and expertise. The intermediary function of social environment towards social enterprises in Singapore focuses on grants, partnerships, volunteerisms and advices. Among the four social enterprises selected for the cases of Singapore, it is observed that the universities have been a great support to the social entrepreneurs in sustaining the social enterprises. For instance, the founders of both PlayMoolah and Sustainable Living Lab was graduates from NUS whereby different support was given to them. "NUS has been of big help as well because I'm from there and I know Prof Wong and there are always friends I go back to," Lee, the founder highlighted how NUS has provided support in which it is believed to be advices given to run PlayMoolah.[27] Besides, start up grant was also given to Sustainable Living Lab by NUS enterprise. Besides, the organization also received support from Nanyang Technological University from Nan Yang Technopreneurship Center as they won their competition. "They can hire others but they always ask us," Veerappan added that the university has been giving reliable business to the organization as they have been supportive of their winners.[28]

Besides, the public's partnering and giving business to the social enterprises have also been the key support from the society and it can been the major contribution and revenue lines for all the social enterprises. By taking up their services and programs, it helps the social enterprise to sustain themselves and also grow the business. "We run fully retail store, hawker center so we have a lot of people to work with," Koh, the founder added that the public that support their business whom they met was the support given by

[27] Interview with Lee, 31 July 2017, via Skype call
[28] Interview with Veerappan, 27 July 2017, at Sustainable Living Lab

the society.[29] Specifically for Sustainable Living Lab, the volunteers that participated in their programs have also helped to bring in customers to the organization.

In addition, the support that Sustainable Living Lab was given include the cheap rent for the venue of their organization. "Due to what we do, for community, people just want their place be used properly," Veerappan added that people have been giving either subsidy of rent or free rent from the society such as Ground-Up Initiatives (GUI) which is a NGO that cultivates resilient and creative community with grounded leaders and also United World College of South East Asia (UWCSEA). [30]

To sum up, the social environment factors have given support in terms of grants, partnerships, volunteerism and advices to the social enterprises in Singapore. Besides, the university also got in touch and work closely with the social enterprises by providing advices and business opportunities.

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[29] Interview with Koh, 16 October 2017, via Skype call
[30] Interview with Veerappan, 27 July 2017, at Sustainable Living Lab

5.2.3.2 Institution Environment Factor

Table 5.10 Institution Environment Factors:

Selected Cases of Social Enterprise in Singapore

	ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Institutional Environment Factors	- Only grants is only from SPRING- SME point of view grant - SPRING- caters to capability development - In 2014, wanted to expand, needed more cash flow, so raiSE gave little microload. raiSE has been quite helpful especially in the last 2 years. - Work with Ministry of Health	- Grants from government, eg: help youth to build community leadership. - When we started, its considered as a tech start up as we use tech to do stuff - Young Entrepreneurship Scheme (YES) - National Youth Council was the most aligned one, gave us really large grant that aligned our vision and we build what we want - Best thing government does for us is alignment, unlike other banks that have own agenda. - Government purest agenda that's aligned to what we want to build which is about community wealth.	- No government funding in the first place. - Has worked with government like WDA (Workforce Development Agency), MOF, Ministry of Social and Family Development - NGOs- school of blind, or autistic organization will send people to us. - Organization like family services and agencies that help recruiting people	- raiSE, previously called Social Enterprise Assocation helped to bring in clients, not so monetary help. Pay membership $100 bucks give clients worth of 1k dollar. - Government support by grants cause they don't deal with business - National Environment Agency- for repair program, pay partially for some costs - ACE (Action Community for Entrepreneurship), previously Spring- grants but with string attached.

Table 5.10 presents the institutional support that has been given to the 4 selected social enterprises in Singapore specifically from the government. The 4 selected social enterprises for Singapore are the proud winners of the President's Challenge Enterprise Award launched by the President Tony Tan. Cash prizes of up to $ 50,000 was awarded to the social enterprises, together with corporate advisory support and development opportunities by connecting them with industry leaders (Valluvar, 2017). According to the founders of ProAge and Sustainable Living Lab, raiSE, the Center of Social Enterprise of Singapore (previously called Social Enterprise Association) has also been a support

from the government sector. For instance, when ProAge needed more cash flow to expand, raiSE has given little microloan and has been helpful especially in the past 2 years. Besides, raiSE has also helped to bring in clients to the organization.

In addition, various government ministries of Singapore have also provided financial support in the form of grants to the social enterprises. SPRING Singapore has given SME grants to social enterprises such as ProAge and Sustainable Living Lab. "National Youth Council is of great support," Lee, founder of PlayMoolah added that the National Youth Council (NYC) has been given support that is most aligned to the company's vision whereby large grant was given to build what they need. Besides, National Environment Agency also covered some costs of the programs run by Sustainable Living Lab. However, unlike the other 3 social enterprises, Dignity Kitchen did not have funding from government back then when the organization was first founded. However, the organization has work with different agencies and ministries such as Workforce Development Agency (WDA), Ministry of Finance (MOF), Ministry of Social and Family Development.

The government support to the social enterprises has played important role in the success and sustainability of the organizations. "I think the best thing government has done for us is the alignment, because everybody else like the banks have their own agenda," Lee, founder of PlayMoolah highlighted the important role of government in aligning to the social enterprise's vision to build impact in the society.[31] Veerapan, the founder of Sustainable Living Lab has also added that government's support has always been in terms of grants as they do not deal with business.

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[31] Interview with Lee, 31 July 2017, via Skype call

5.2.3.3 Public Acceptance

Table 5.11 Public Acceptance: Selected Social Enterprise in Singapore

	ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Public Acceptance	- from public, there is not much change. Not many people know what a social enterprise is. But that doesn't really matter much.	- Back then SE wasn't popular, so only known as a tech company. - was limited by who we could raise funds from since we were for profit, but now because of SE, we can tap on that.	- First started not many people know that commercial companies can have social mission. - Over the years, the awareness got better.	- People don't know and we don't really make a point of it. When you tell them, they expect things for free. - Consider it as disadvantage. It is only advantage when come to hiring.

The study of Sharir and Lerner (2006) shows that public acceptance plays an important role to the success of the social enterprise. Among the 4 social enterprises in Singapore, ProAge and Sustainable Living Lab do not find the importance of public's acceptance towards their success. "From public, there is not much change. Not many people know what a social enterprise is," Isaiah, the founder of ProAge added in his opinion, the awareness from public has not had much change but it does not matter much as well. "When you tell them, they expect things for free." Veerappan, founder of Sustainable Living Lab gave an interesting finding whereby the recognition of their organization being a social enterprise is considered as a disadvantage as people will expect their services for free. Thus, despite not many is aware of them being a social enterprise, they also do not emphasize on it. According to the founder, the awareness of people towards SL2 being a social enterprise only benefit when it comes to hiring and finding talents.

As for PlayMoolah and Dignity Kitchen, the founders gave similar comment whereby social enterprise was not known by many during the early days and their organization was not known as a social enterprise. As for PlayMoolah, they were known more as a technology company back then. Over the years, the awareness of them being

social enterprise has gotten better. PlayMoolah is able to have more procurement from different sectors in the society as the company no longer known as for profit but instead also creating social impact by addressing the issue of the lack of skill on personal finance management in the society. Besides, Dignity Kitchen also got to increase their profile and have more partnerships with the society.

5.2.3.4 Summary of Environmental Factor

To summarize, the social environment of the social enterprises in Singapore provide support in terms of grants, partnerships, volunteerism and also advices. It is seen that universities have been great support for some of the social entrepreneurs in Singapore whereby the university gives technical advices, provide grants and business opportunity for the social enterprises. As for the institutional environment indicator, the selected social enterprises in Singapore are the social enterprise award winner of President's Challenge Social Enterprise Award, which is by President Challenge, an organization initiated by former President of Singapore, and currently under leadership of President Tony Tan Keng Yan with the aim to help the less fortunate, fundraising, including volunteerism and social entrepreneurship. Through winning the award, they were also given corporate advisory support and development opportunities. Besides, the Center of Social Enterprise in Singapore, raiSE also has provided support to the social enterprises in networking and grants. It is also seen that many government ministries such as National Youth Council, Workforce Development Agency (WDA), Ministry of Finance (MOF), Ministry of SOCIAL Family Development, Ministry of Health and National Environment Agency has been partnering and giving business opportunities to the social enterprises. The view of public acceptance by the social entrepreneurs show that some social enterprise do not find the importance of public's acceptance as they could run it as normal commercial business. That is due to the misconception of the public whereby people tend

to expect things for free, which result in social enterprise not wanting to emphasize on it. Nonetheless, some find that the awareness has certainly increased and has helped their business.

5.3 Challenges faced by the Social Enterprises in Singapore

Table 5.12 Challenges: Selected Cases of Social Enterprises in Singapore

	ProAge	PlayMoolah	Dignity Kitchen	Sustainable Living Lab
Challenge	- Passion and manpower is one big area. - Having mentors that can really help you to stretch and get the business model and able to work through with you. - Build it up to clients what we're looking for, because that's still not there. - Finance, cash flow.	- Financing is definitely a challenge. Once business model is right- it will come. Employees work different freelance job to support. - People want the products but not willing to pay for it. Expect things to be free but the app was built with 200k dollars spent.	- Rental: location isn't cheap when we first started - Finding people-trainers are very difficult to find. - No government support- even have also have something called KPI. - Biggest challenge: empathy of people. People still perceive disability cannot sell food.	- Piracy issue. In 2012, product was copied in Philippines. They were selling it for half our price, because we were making it in Singapore, the cost structure is definitely higher. But this really killed our business. -competition from government in Singapore: offer things for free and fund external foreign companies and do same things we do. Some government are supportive some are absolute enemies. - Encounter a lot that people expect things to be free from us, so we stop saying we are social enterprise

Table 5.12 shows the challenges of the social enterprises in Singapore. It is seen that the challenges are generally very diverse according to the different business model and each social enterprise faces different internal and external organization challenges. One of the common challenge faced by PlayMoolah and ProAge will be the **finance or cash flow**. "In terms of cash flow, whether we need to go for loans or grants etc. We have opted to go for loans," Isaiah, the founder added on the challenges faced by the

organization.[32] ProAge has also received microloan from raiSE as mentioned previously. As for PlayMoolah, financing has always been the challenge and the employees had worked freelance job to support during the difficult times. The business model that is currently adopted by PlayMoolah was modified on year 2015 as previous business model was much more commercializing where the projects taken was not aligned with the mission.

Besides, the products or services offered by the social enterprises such as PlayMoolah and Sustainable Living Lab faced issues of people **wanting to be charged free**. " People expect it all for free- whether it's an app that we took 200k dollars to build or a program for low income community," Lee, the founder of PlayMoolah find the challenge of the financial value of their services to the public.[33] Besides, Sustainable Living Lab was face the same challenge which leads to the organization stop addressing themselves as social enterprise.

Apart from that, social enterprises like ProAge and Dignity Kitchen has also faced difficulties with the **people to work with**. "Passion and manpower is one big area," Isaiah, the founder of ProAge mentioned that the challenge includes the lack of manpower in the organization as well as people who carry the same passion. Besides, Dignity Kitchen has also faced challenge with finding people to work in the organization. "Trainers are difficult to find," Koh, the founder explained that the trainers in Dignity Kitchen has to be 2 years of hawker experiences together with the Singapore Workforce Skills Qualifications (WSQ).[34] Besides, they are also required to know to use Microsoft Words and Powerpoint to be qualified and above all, the passion to deal with people with disability.

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[32] Interview with Isaiah, 1 August 2017, via Skype call
[33] Interview with Lee, 31 July 2017, via Skype call
[34] Interview with Koh, 16 October 2017, via Skype call

Another interesting findings that we observed is the challenges faced by Sustainable Living Lab. Despite having different ministries or agencies from government that have partnered with them, the social enterprise has also **faced government as a competition**. "They either offer everything for free or they finance/ fund external companies from outside Singapore to come into Singapore and do the same thing we're doing," Veerappan, the founder added that some of their projects were called of just because of the cheaper price/ free of charge services that government has offered…Some from the government are very supportive and some are absolute enemies," the founder also added the contrasting situation the organization faces with the government.[35] Apart from this, the social enterprise has also faced **piracy challenges.** "In 2012, our product was copied in Philippines," the founder added that the price they were selling was half their price as their production was in Singapore whereby the cost structure is higher. The business of the organization has greatly been affected.

The challenges faced by social enterprises in Singapore are diverse yet the common one relates to financing, financial value of their products and services as well as finding right people to work with, with facing government as competition and piracy challenge as the additions.

5.4 Chapter Summary

To sum up, this chapter discusses the findings from the social enterprises cases in Singapore, covering the research questions in this study. The fundamental elements underpinning their existences are their mission regarding environment, health, financial literacy and social concerns, sustained by the business models in categories of fee-for-services, services subsidization and employment creation. For the factor that lead to growth and development of social enterprises in Singapore, motivation with both pull and

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[35] Interview with Veerappan, 27 July 2017, at Sustainable Living Lab

push factors, the managerial background as well as entrepreneurial, managerial, network and cognitive skills contributed to the individual factor. The organization factor includes the persistence of retaining mission, flat and flexible organisation structure, internal and external training as well as informal ways of monitoring performance have led to the growth of the social enterprises. Besides, the environment factors includes the social environmental factor that provide support in terms of grants, volunteerism, advices and partnerships as well as institutional environmental factor which is the support from the government agencies, ministries and centre of social enterprise. Despite the increase in public acceptance observed, it is not perceived as a vital contribution to the growth due to the misconception by the public. As for the challenges, internal organisation challenges include cash flow, people to work with and people difficulty in communicate the value of products while the external organisation challenges include government as competitors and piracy challenges.

CHAPTER 6

COMPARATIVE ANALYSIS OF SOCIAL ENTERPRISE

IN MALAYSIA AND SINGAPORE

6.1. Introduction

This chapter covers the comparative analysis of the experience and characteristics of social enterprises in Malaysia and Singapore based on the research questions in this study. Besides, it also provides the lessons acquired from both countries through the similarities and differences of the experience and characteristics of social enterprises in this study.

6.1 Elements Underpinning the Existence of Social Enterprises

The study selected 4 social enterprises each from Malaysia and Singapore in order to draw a comparison study of the experience and characteristic of social enterprise. In this section, we analyse the elements that underpin the existence of social enterprises in both countries.

In Malaysia, the selected social enterprises are with the social mission of tackling environmental issues by promoting sustainability, raising up leaders for nation transformation, disrupting poverty cycle by providing job opportunities for urban poor and creating a platform for people with heart of service to serve the people. However, in Singapore, the selected social enterprises have the social mission of addressing health issue among old ages, promoting financial literacy, promoting sustainability and providing training and jobs to the socially disadvantaged. The social mission are the core purpose of the social entrepreneurs starting up the journey of social entrepreneurship and each has different issues in the society that they are addressing.

The business model of the selected social enterprises in Singapore and Malaysia includes fee-for-services, service subsidization and employment business model. The **service subsidization business model** in which the product or services are sold to external market to fund social programs (How to choose business model, 2015). Such model is seem to be adopted by Leaderonomics in Malaysia and ProAge in Singapore. On the other hand**, employment business model** gives employment opportunity and training to the beneficiaries and sell the products and services in the open market (How to choose business model, 2015). It is adopted by Batik Boutique in Malaysia and Dignity Kitchen for Singapore. The **fee-for-service model** however sell services with social and environmental values embedded directly to clients or third party payer (How to choose business model, 2015). Such business model is adopted by Biji-biji and Epic Home in Malaysia as well as PlayMoolah and Sustainable Living Lab in Singapore.

It is evident that the social enterprises in both countries have clear and unambiguous mission and objectives in which they aim to address the issues ignored by the market. According to Thompson and Doherty (2006), social enterprises are organizations that seek to solve social problems through business models. Therefore, it is also apparent that the social enterprises have robust business model to achieve their mission and objectives through being innovative and exploiting opportunities in the market. They are diverse in terms of their operation, mission and source of revenue, but are profitable with social value, unlike the commercial enterprise which is merely profit-driven and NGOs who are not able to sustain themselves.

6.2 Factors leading to growth and sustainability of Social Enterprises in Malaysia and Singapore

6.2.1 Individual

Table 6.1 Comparison in terms of Individual factor

	Malaysia	Singapore
Motivation	- Pull factors: meeting social needs based on life in the present- passion for a cause and intentional mindset	- Pull and push factor (natural option for career development)
Background	- Corporate and finance education background - Previous personal experience in leadership and managerial experience	- Not all have previous working experience - Managerial and business background - Education background does not contribute
Skill	- Business skill - Leadership and managerial skill - Cognitive skill - Agility skill *Background shaped the skills	- Entrepreneurial skill - Managerial skill - Network skill - Cognitive skill *Background shaped the skills

Table 6.1 presents the comparison of individual factors among the selected social enterprises in both Malaysia and Singapore. The motivations of the social entrepreneurs in two countries are due to the pull factors which are incidents in the present life (that cause them to realize the gap in the market place and opening a social enterprise has been a solution to the issue. They are passionate for a cause and have intentional mindset to create impact or solve an issue in the society (Omorede, 2014). However, the push factor of the motivation can also be seen in one of the social enterprise cases in Singapore as the social entrepreneur made a choice for his career development after winning many competitions. This helped him to develop confidence in what he was doing and discovered an opportunity to make an impact on environment. The push factor of motivation is not observed among sample social entrepreneurs in Malaysia. Despite the difference in terms of the categorization of the social entrepreneurs' motivation, it is evident that the motivations engage the individuals in social entrepreneurship and constantly on looking for opportunities for the business.

According to Table 6.1, both countries have had social entrepreneurs with managerial background which is the common contribution to their leadership in the organizations. However, in terms of the education background, it is shown that while the education does play a part in growing the social enterprise in Malaysia, the social entrepreneurs in Singapore claim that the education does not contribute much to their sustainability. According to them, social enterprises go against what was taught in their education and the knowledge from degree has no relevance to the sustainability of social enterprises. For the skill indicator, both countries have had leadership or managerial skill mentioned by the social entrepreneurs. According to Doyle (2018), the two skills overlap with one another as both skills are important in problem-solving, planning, decision-making, communication, delegation and time management. Heinecke, Kloibhofer and Kreminska (2014) added that both skills cannot be clearly separated as manager has leadership role just as a leader also performs management functions. According to Azad et al. (2017), each person with the leader or manager position must also have the skillset of the other as effective leadership within the organization cannot be made possible without the combination of these two skills. Besides, it is found that the cognitive and business or entrepreneurial skill are also carried by the social entrepreneurs in both countries. While there are other skills the social entrepreneurs possessed that are different with the other countries in which the skills are mostly developed from the background. This has shown that background and skill of the social entrepreneurs are also interrelated. The social entrepreneurs in selected samples of both countries also found to have cognitive skill in retaining mission and finding the right business models for the organization.

6.2.2 Organization

Table 6.2 Comparison in terms of Organization Factor

	Malaysia	Singapore
Mission	- Core purpose and mission has been same despite rebranding and expansion	- Core purpose and intention has been same despite business model changes. Mission only being refined
Governance	- Operation matters decided within operation team - Mature SE: in charge of strategic decision and long term plan; day to day operation by senior leaders - Have hierarchical structure, but mainly functions as flat and flexible operation	- Operation matter decided within operation teams - Close relationship between executive and employees - Have hierarchical structure, but mainly functions as flat and flexible operation
Learning	- Importance of learning is recognized, trainings provide - Internal training, external training not emphasized	- Importance of learning is recognized, trainings provide - Internal training, external training only offered by one SE
Monitoring	- **Staff performance evaluation**: no proper system but based on individual's personal goals and development aligned to organizations' - **Finance**: P&L, sales analysis - **Social impact**: sustainable development goals, number of beneficiaries, number of schools penetrated, workshops.	- **Staff performance evaluation**: no proper system, mostly on reviewing and observing. One SE did the system before but stopped and focus on personal life goals - **Finance**: cash flow and profit margins. One of the SE look at runway, keeping it within 6 months - **Social impact**: mostly based on programs and services provided, number of volunteers, employees placed in jobs. One SE had undergone Social Return Investment (SRIO) impact with NUS.

Table 6.2 presents the organization factor for the growth and sustainability of social enterprises in both Malaysia and Singapore. Mission has not only been the fundamental element underpinning the existence and sustainability of social enterprise, but it also acts as an indicator for the sustainability of the social enterprise. It is found that despite undergoing rebranding, expansion or change in business model, the social enterprises in both countries have their core purpose and mission remained and only have the wordings refined. The major drive has been to creating impact in the society. For the governance indicator, the operation matters are generally decided within the operation, and founders are involved whenever there is a new project. Particularly in Malaysia, the social enterprise that is the most mature among the other samples, the founders are in charge of strategic decision and long term plan and the day to day operation are managed

by the senior leaders. Despite the existing of formal hierarchical structure among the social enterprises in both countries, the governance structure remains flat and flexible. In general, although there is a hierarchical structure in the social enterprises in both countries, they work as flat organization structure. Moreover, Spear (2006) noted that the learning and knowledge in the organization are vital for the success of the social enterprise as the skills of employees can be strengthened. In both Malaysia and Singapore, the importance of learning is recognized with training provided. However, it is seen that only internal training is practiced by all the social enterprises. While some social enterprises in both countries do provide external training, it was not emphasized on its importance. The monitoring indicator in this study is examined in 3 areas which are staff evaluation performance, finance and social impact. It is observed that both countries do not have proper staff evaluation performance system, whereby the evaluation is done either through observation or reviewing. However, there is a case in Singapore whereby the social enterprises have practiced proper staff evaluation performance system with SPRING Singapore years ago but have stopped practicing it and focused on staff's personal life goals instead. In terms of finance area, the social enterprises in both countries track financial performance just like the commercial enterprise by looking at P&L, sales analysis or profit margins. Specifically mentioned by one of the social enterprises in Singapore, they keep their cash runways, which is the amount of time or money with which they operate in the red, up to 6 months maximum. Generally, the financial measurement is of no big significance as it is managed as the commercial enterprises. The social impact performance monitoring among the social enterprises in both countries show that they are measured according to the products or services they provide such as number of schools penetrated, number of beneficiaries, number of volunteers, measured with Sustainable Living Goals and so on. The tracking of the social impact was not done formally. However, with the great network and support from the university, one of the

selected social enterprise in Singapore has undergone special assessment of social impact with a professor from NUS, which is the Social Return of Investment (SRIO) impact measurement. In general, the social enterprises in both countries are still lacking of proper evaluation for social impact performance and staff performance evaluation.

6.2.3 Environment

Table 6.3 Comparison in terms of Environment Factor

	Malaysia	Singapore
Social Environmental Factor	- Grants, partnerships, volunteerism, advices - Private sectors: clients to the organizations	- Grants, partnerships, volunteerism, advices - Universities have been great support- advices, provide grants, business opportunity
Institutional Environmental Factor	- Government agencies: Ministry of Youth and Sports - MagicSE: center of SE – grants, advices and networking	- President Challenge-advisory and development opportunities - raiSE: center of SE- loans, networking - Government Ministries: WDA, MOF, MSF, MoH, NEA, NYC
Public Acceptance	- Awareness increase compare to early days - Misconception on the nature of SE- expect things to be free or product quality to be low	- Awareness increased - Do not find the acceptance important-misconception of public, expect things for free

According to Jiao (2011), social environment factors are the incubators for social enterprise's activities and also the research institution. It acts as intermediary function by providing training, technical advice, networking or financial planning to social entrepreneurs with limited knowledge and expertise (Sharir & Lerner, 2006). Table 6.3 provides comparison of social enterprises in Malaysia and Singapore in terms of environment. The support social entrepreneurs in both countries receive from social environment have been in terms of grants, partnerships, volunteerism and advices. Particularly for Singapore, the supports were also given by the universities which is not evident in Malaysia. In terms of institutional environmental factor, the support from government, it is found that most of the social enterprises are the awards winner of the Social Enterprise Award in both countries, Amplify Awards for Malaysia and President's Challenge of Social Enterprise

for Singapore. The awards have provided grants, advices and also helped in networking for the social enterprises in both countries. Besides, it is also observed that both countries have its own centre of social enterprises such as MagicSE in Malaysia and raiSE in Singapore, in order to help and provide support and guidance to the social enterprises, which the selected samples in both countries have benefited. However, in terms of the government ministries or agencies that work with social enterprises in the countries, it is found that there is more collaboration or partnerships involving government in Singapore as compared to Malaysia. The findings also shown that the Youth Ministries in both countries' are closely working with the social enterprises as the sector has growing population of young people venturing into social entrepreneurship and make a difference in the society. As for the public acceptance indicator for environment factor, the findings show that both of the awareness on their organizations being social enterprise has increased along the years. There are mix views on the public acceptance as some acknowledge its importance and some do not. Nonetheless, there are still misconception about the social enterprises in both countries by the public as people tend to expect things to be offered free of charge or the product quality is perceived to be lower. It is one of the reasons for some social enterprises not to emphasize on their "social enterprise" identity.

6.3 Challenges faced by the Social Enterprises

Table 6.4 Challenges faced by Social Enterprises in both countries

	Malaysia	Singapore
Similarities	- Cash Flow (Internal) - Talent acquisition (Internal) - Communicate value of products and services (External)	- Cash Flow (Internal) - People to work with (Internal) - People wanting to be charged free (External)
Differences	- Retaining missions & Reinventing organization (Internal) - Quality and time delivery standard (External)	- Government as competition (External) - Piracy Challenge (External)

Table 6.3 highlights some challenges faced by the social enterprises in Malaysia and Singapore. Among the 4 case studies each in Malaysia and Singapore, there are some similarities and differences in terms of challenges faced by social enterprises in both countries.

There are three similarities of the common challenge will be the cash flow and finance, the people to work with and communicating the value of products and services. The financial constraint has been a limitation towards the organization's expansion whereby the social entrepreneurs have to opt for a loan in order to bring the organization further. The challenge has also been the constraint to invest into the organization itself. For example, limited external training for the employees and the lack of brand marketing have been the result of tight budget, whereby investment like this is able to bring organization forward in the long term. Besides, the second similarity has to do with challenge with the people to work with in the team. For instance, it is a difficult for talent acquisition into the organization and it has reduced the pace of the operation team due to the lower productivity. Apart from this, it is also a struggle in finding the right person to be on board who has the same passion. While one of the social enterprise in Malaysia finds challenge the newer batch of unexperienced employees, another social enterprise in Singapore face difficult finding trainers who meet the qualifications to work in the organizations. In addition, the third common challenges will be in communicating the value of the products and services provided by the organizations. For instance, the products of a social enterprise in Malaysia that have environmental impact embedded are of higher cost and thus sell at a higher price. However, the value itself are difficult to be communicated and understood by the public. The other instances include the misconception of public on social enterprise whereby the public like the product but is expected to be charged free in a social enterprise in Singapore.

Other differences in the challenges that are mentioned to be faced by the social enterprises in Malaysia are retaining mission and reinventing organization and the standard of quality and delivery time. The social enterprise which is the most mature among the case studies in Malaysia found that the commitment of the employees might not be equivalent to the founders' heart and vision, and the concern of taking higher risk are higher compared to the early days. These are the challenges mentioned by the social entrepreneurs in Malaysia that was not emphasized by the social entrepreneurs in Singapore. The different challenges discovered in Singapore however are the piracy challenge and the competition with the government. Despite being supported by certain ministries or agencies of the government, it is found that social enterprise in Singapore does face challenges when the products and services offered are being provided by the government but at a much cheaper price or free of charge services whereby they have lost their projects with the clients with this issue.

6.4 Lessons from both Countries

Based on the findings in previous chapters, there are a number of interesting findings from the experience of social enterprises in Malaysia and Singapore that can serve as cross-cultural learning. Through the similarities and differences in terms of the experience and state of social enterprises in both countries, lessons and insights are evident to serve as guidelines to the existing and future social entrepreneurs or insights for improvement in both countries.

6.4.1 Similarities

Based on the case studies of the 4 social enterprises each from Malaysia and Singapore, there are some similarities that we can observe in the characteristics of social entrepreneurship. For instance, it is evident that the selected social enterprises from both countries in this study adopt flat structure in the organizations. They are generally small in terms of its organization whereby the staff members ranges from 5 people to less than 35 people. The decision making process are within the top levels with head of department while the day-to-day operation decision are being made by the operation team itself. From the interview conducted with the social entrepreneurs, it is found that flat organization structure is adopted with few layers of management. The organization usually grows horizontally instead of vertically as they discover more opportunities in the market and extends their services. Such structure works best for small organizations and it has greater level of communication between the employers and employees as compared to taller hierarchical structure (Griffin, n.d). Besides, they focus a lot on personal empowerment within the employees in helping them to achieve their goals that are aligned to the organization goal. As much as the organization seek to tackle the social issues, the organization also care about its own employees before creating an influence in the society.

In addition, the study also discovered that at the early stage of social entrepreneurship in both countries, they do not have legal recognition. According to Digital News Asia (2016), one of the challenges in Malaysia has been the lack of legal recognition and proper policy structure and the handbook of Legal Compass for Social Enterprises was published as legal guidance for the social entrepreneurs in Malaysia. As for Singapore, legal framework also was not provided to regulate or certify local social enterprises despite having Co-operative Societies Act to regulate the cooperatives. Upon interviewing the social entrepreneurs, it was found that most of the organizations were registered as private limited companies. Despite the significant increase in public

awareness about social enterprise, people may still confuse them with non-profit organization or non-government organization due to the social values they carry. Thus, it is seen that the issue with legal formality continues to prevail until formal structure is being laid out. Besides, the social enterprises may also benefit from the legal recognition in terms of tax exemption to cut the cost of the organizations while focusing and continuing making impact in the society.

Apart from these, it is also seen that both selected social enterprises in Malaysia and Singapore strive to retain their mission which is embedded with social values despite any circumstances that occur along the years of their business. It is evident that the social entrepreneurs focus on the purpose of the organization, instead of merely driven by the profit as the commercial enterprise. For instance, Leaderonomics in Malaysia has undergone periods whereby their mission seemed to be drifted as the organization was focusing more on revenues in order to sustain their business. Fortunately, the founders have rediscovered their vision and purpose of starting the social enterprise and took up the roles enforcing the mission and let go of the operations to the senior management teams and focus on the strategic decisions. Besides, PlayMoolah in Singapore discovered that their previous business model seemed to be aligned with their mission as they partnered with the private organizations. However, upon the mentorship given by Ben and Jerry, the social enterprises manage to have more clarity in their mission and find better business model to articulate the mission.

Generally, the social entrepreneurs seek to find balance between income generation and social impact. Such phenomenon is evident among the selected social enterprises in both Malaysia and Singapore. All of the social enterprise has been expanding and improving their business model in order to accommodate and articulate their social mission. As much as the focus is to giving back to society and creating social impact, the social enterprise also seek to sustain themselves in the market. When an

enterprise is sustainable and successful, its social aspect will also be sustainable and successful. The social impacting image of social enterprise conjured up by the term social enterprise ought to be reflected in the way it is operated (Zastawny, 2014).

6.4.2 Differences

Apart from the similarities, there are also differences in the characteristics of social entrepreneurship between Malaysia and Singapore. First and foremost, the social environmental factor includes the support for social entrepreneurship from research institutions. It is evident that social enterprises in Singapore receive stronger support from the research institutions and universities as compared to social enterprises in Malaysia. For instance, the Asia Centre for Social Entrepreneurship & Philanthropy (ACSEP) is an academic research center set up by an international multi-disciplinary research team at the National University of Singapore (NUS) Business School. Established in April 2011, it aims to advance the understanding of social entrepreneurship and philanthropy in Asia via research and education. Particularly on research within the social enterprises in Singapore, there are a few publications from the center such as Ang, Lam and Zhang (2016) and Lam, Prakash and Tan (2014) that have dived into the sector to have deeper insight on the state of social entrepreneurship in Singapore. Furthermore, it is also apparent that the universities have provided various support in term of advices, grants and business opportunity. The founders of two social enterprises selected for the cases in Singapore were the graduates of NUS and each of them has been given different support, and one of them have also received business opportunity from the competition they won during their years of tertiary education by Nanyang Technological University. Besides, Multilateral Investment Fund (2016) concluded the maturity level of the different ecosystem sectors in 6 Asian countries and found that the academia role in Singapore is at intermediate stage of development. It further defines the stage as "offering Social

Entrepreneurship course without diploma established". In contrast, the support given by Malaysia's research institution to social entrepreneurship is seemed to be lacking behind. For example, Universiti Malaysia Kelantan (UMK) organized Social Enterprise for Economic Development Programme (SEED), which targeted community development activities by training students to assist rural communities to develop themselves through social entrepreneurship. However, this programme was limited to only the students of the university and only the community in Kelantan was involved. Besides, based on the case studies, the universities' support in social entrepreneurship in terms of grants, advice and business opportunity that is seen in Singapore is not observed in Malaysia. According to Multilateral Investment Fund (2016), Asian countries like South Korea, Thailand and Philippines have attained mature stage with respect to the academia support role in the social enterprise ecosystem development. They have developed social entrepreneurship diploma courses for both undergraduate and graduate levels. This shows the importance of the involvement and support of the universities and research institutions towards social entrepreneurship in these countries. The research institutions can play a major role through their research on social entrepreneurship which can help inform both policy and practice.

In addition, the comparison of the characteristics of social enterprises in both countries also show differences in terms of the government partnership with the social enterprises. For instance, the collaboration and partnership of government towards the social enterprises in Singapore are found to be more active as compared to Malaysia through different ministries and agencies. One of the social enterprises in Singapore added that the government has played an important role in aligning the social enterprises' vision to build impact in the society. However, there is also similarity in both countries whereby the Ministries of Youth are very engaged with the development of the social enterprises, signifying that social entrepreneurship movement are common among the

young people in which the ministry is giving support to. Nonetheless, despite the great involvement in partnerships and collaboration of the ministries of government in Singapore and the social enterprises, it is also found in one of the cases in Singapore whereby government has also been in a competition to the social enterprise sector. As much as there are agencies or ministries that supported them, there are government ministries that offer things for free or charge services at much lower price which have affected their business.

Besides, Singapore social enterprises have also taken effort to develop a robust system for monitoring performance in the organization in terms of social impact measurement and staff performance. Such attempts were not found among the social enterprises in Malaysia. For instance, one of the social enterprises in Singapore worked with a professor from NUS in measuring the social impact they have made through undergoing the Social Return on Investment (SRIO) Impact Measurement. It was introduced and developed by the Roberts Enterprise Development Fund (REDF) and tested by the New Economics Foundation (NEF, 2004). It is based upon traditional cost-benefit analysis by assigning monetary values to social and environmental returns in order to show wider value creation. According to NEF (2004), it aims to manage, understand and report the values in terms of social, environment and economics. Nicholls (2007) added that policy makers in the UK strongly encouraged social enterprises to measure the social value using SROI. Moreover, the usage of SROI has extended beyond UK and US and SROI Network (2011) shows notable recent publication of SROI in French and Chinese (Millar & Hall, 2013). Through such impact measurement assessment, for example, PlayMoolah social enterprise in Singapore found that for every 1 dollar invested in the organization, it gained 38 dollars of social return. It aims to promote financial literacy to reduce the inequalities in the world. As for the monitoring of staff performance, the effort in having a robust system in Singapore has proved to be not appropriate for a

social enterprise. For instance, SPRING Singapore has worked with one of the social enterprises in developing a robust system for staff evaluation performance in which the employees were given scores. However, the social entrepreneur eventually stopped using that system due to the fear of creating rigidity in the organization and shifted to focusing more on the culture of nurturing and personal development of the staff, as personal relationship between the staff is perceived to be more important. According to Rock and Jones (2015), many large companies have also started removing ratings from the performance management systems as they emphasize more on ongoing quality conversations between managers and teams. Such shift in strategy encourages better collaboration between the employer and employees, helps attract and retain talents as well as help develop employees' skills faster. To conclude, these are some of the interesting findings from the case studies of Singapore, which were not observed among the social enterprises in Malaysia, where their staff and social impact performances have been monitored informally.

6.5 Chapter Summary

To sum up, the fundamental elements underpinning the existence of social enterprises in Malaysia and Singapore are the social mission and the business models with categories of fee-for-services, service subsidization and employment business model. Generally, the indicators of individual factor in both countries have played a part in the development of the social enterprises. The organisation factor shows similar result in both countries whereby the indicators have played their roles. As for the environmental factor, despite social and institution environmental factors played as significant indicators, public acceptance does not perceived as a critical element in the growth and development of the social enterprises in both countries. The common challenges faced by the two countries cover two internal organisation struggles which are cash flow and talent

acquisition while the external challenge is the difficulty in communicating value of product. The similarities of both countries in terms of their flat structure, lack of legal recognition and the strive to retain their missions as well as the differences in the roles of education sector, the government partnerships and formal system for monitoring have also shown the lessons learned from the social enterprises from Malaysia and Singapore.

CHAPTER 7

CONCLUSIONS AND RECOMMENDATIONS

7.0 Introduction

This chapter covers the conclusion of the study by restating the objective and research questions, methodology and the major findings acquired. Besides, policy recommendations and recommendations for future study are also included, together with the limitation of the study.

7.1 Findings and Conclusions

This paper study the experience of social enterprise sector in Malaysia and Singapore as well as their characteristics in both internal and external organisation aspects. It is motivated by a poll carried out by the Thomson Reuters Foundation showing Singapore having higher rank as a country for social enterprise as compared to Malaysia as well as the gap in the literatures on the empirical studies on social entrepreneurship. The aims of this paper is to study the fundamental elements underpinning the existence of social enterprise, to investigate the factors leading to the growth and sustainability of social enterprise, to explore the challenges faced by the social entrepreneurs in Malaysia and Singapore. Upon that findings, comparison and cross-country lesson are drawn which seek to contribute to the growth of social enterprises in both countries

The case study approach is adopted in the study, consisting of 4 social enterprises each from Malaysia and Singapore. The selected social enterprises from both countries are award-winning and recognized in the countries. Semi-structured interviews conducted with the social entrepreneurs and documentation are used as data collection methods for the study. The data analysis conducted involves examining, categorizing, tabulating and

recombining the evidences according to the conceptual framework developed for the study. Cross-case synthesis method is used to analyse the findings.

The findings from the 4 case studies each from Malaysia and Singapore show that the fundamental elements underpinning the existence of social enterprise have been their social mission and their business model. With the different social missions the social enterprises carry, it is found that the business model adopted are service subsidization, employment business and fee-for-service model according to the categorization and definition by How to choose business model (2015). It is evident that social enterprises ought to have clear and unambiguous mission and objectives and be supported by robust business model through being innovative and exploiting opportunities in the market.

Besides, through this study the enabling factors of the sustainability of social enterprises in both countries are being explored to examine how the individual, organization and environmental factors with different indicators have contributed to their growth and sustainability. Generally, the individual factors are found to made contribution in Malaysia and Singapore via indicators such as social entrepreneurs' motivation, skills and backgrounds. The organisation factor show that the social enterprises retain their mission, adopt flat structure, emphasize on internal training and uses informal system in their performance monitoring along their years of growth and development. As the indicators of social environmental factors and institutional factors have provided support in terms of grants, advices and business opportunities, the public acceptance of social enterprises in Malaysia and Singapore is found to be less of a critical factor as generally social enterprise does not acknowledge its significance.

As for the challenges, it is seen that both Malaysia and Singapore face similar internal challenges such as cash flow challenge, and talent acquisition challenge as well as external challenge such as communicating the value of products and services offered. Besides, it is discovered that retaining missions and reinventing organization as well as

the challenge with quality and time delivery standard have also been a challenge for the social enterprises in Malaysia. As for Singapore, the other struggles faced are the competition with government and the piracy challenge.

Through the findings, there are lessons that can be drawn from the experience and characteristics of social enterprises in Malaysia and Singapore as they serve as insights for new social entrepreneurs and improvement of the sector in both countries. This study uses the similarities and differences of the experience and characteristics of social enterprises in both countries to reflect the lessons acquired from he study. The similarities in terms of the adoption of flat structure, lack of l g l recognition that result in common issues faced and the clear and unambiguous socia mission observed in the social enterprise sector of both countries show h importance of flat structure in a small organization, legal recognition and a clear mission in social entrepreneurship. Besides, the differences whereby the role of education sector is more evident in Singapore, the activeness of government ministri s and agencies as well as the effort seen in developing formal system for performance monitoring also serve as the insights for the improvement of social enterprise sector in Malaysia.

7.2 Policy Implications of the Study

The study reveals several weak points that have characterized most of the social enterprises selected for both countries such as lack of legal formality, and finance.

Majority of the social entrepreneurs are faced with issues with regard to the lack of legal formality in which there are misconception from the public and the values of products and services were unable to be communicated to the public. Besides, one of the major challenges faced by the social enterprises in both countries which is cash flow problem also stem for being unable to enjoy tax exemption that help lessening the

organization's financial burden. According to Ehon Chan, the executive director of MagicSE Malaysia, it is too restrictive at this stage to come up with legal definition of social enterprise (Zweynert, 2015). However, the government may establish helpful policies like tax reduction and seed funds to encourage more social entrepreneurship activities and start up.it is suggested that the support that can be given by the government, through the centre of social enterprise in both countries to enable the social enterprises to reimburse the extra cost incurred from tax paid due to the absence of legal structure in the country. Such benefit is to be enjoyed by social enterprises that are registered as a member of the centre of social enterprise. Through such support given, social enterprises can have their financial burden lifted and the profit can be channelled back to the organization.

Despite the early development stage of social enterprises in both countries, the education sector does play major role in reating awareness and supporting the social enterprise sector in the country. Particularly for the tertiary education sector, curriculum on social entrepreneurship can be included in the courses in order to encourage and instil interest among the young generation who are the future of the nations. It helps promote a social entrepreneurial spirit and circulates the social entrepreneurship concepts into the generations. Besides, universities may also invite social entrepreneurs to provide a lecture in class in order to increase the consciousness of the college students, who may be the main for es to initiate social entrepreneurship activities in the future. In addition, educators and academicians may also disseminate the idea of social entrepreneurship among the publics in order to increase the awareness. Such suggestion seek to contribute to the development of social entrepreneurship as the sector does not only contribute to the economy via their business, but also tackle social issues that are caused by the market failures.

The social enterprise sector plays a valuable role in creating and sustaining civil society. Therefore, its contribution and concept should be appreciated and disseminated. As countries are promoting inclusiveness and equality by aligning to the Sustainable Development Goals (SDG), social enterprise sector plays a huge contribution by tackling social issues and remain sustainable economically.

7.3 Limitations

Like every other research, this study also have a few limitation and shortcomings. The first shortcoming will be the small scale and small sample selection of the study. The experience and characteristics of the social enterprises in Malaysia and Singapore are explored by examining the fundamental elemen s underpinning the existence of social enterprises, factors leading to growth and sustainability of social enterprises and challenges faced by the social enterprises. However, only 4 social enterprises are selected each from both Malaysia and Singapore. Upon using interview and documentation as the sources of evidence, the findings are only limited to the selected social enterprises in this study, which are the widely-recognized and award winning social enterprises. There might be changes in the findings when the number of case studies are increased or different social enterprise is being selected.

Besides, the limitation of the study also includes the issue of generalization. According to Yin (2009), case studies have not been accepted universally by researchers as reliable and legitimate as generalizing from specific case is a challenge. The findings of the case studies in this study are difficult to generalize as every social enterprise's operation varies. Besides, social enterprise is also widely defined whereby the typology of social enterprise is also different. As the study focuses merely on Malaysia and

Singapore which is part of Southeast Asia, it may not be relevant to other nation or other cultural settings as the social enterprises in every country differs.

The next limitation will be data acquired from the semi-structured interviews conducted with the founders of the selected social enterprises in this study. The conversation were being recorded and transcribed for data analysis. However, interviews consist of personalized data (Punch, 2014) whereby the opinions, attitudes and experiences of the interviewees are acquired. It is subject to the interview techniques by the interviewers, especially in gaining trust and building rapport that enables interviewees to express themselves. According to Yin (2016), it is important for interviewers to listen the meaning of what was being said by the interviewees. In addition, the data acquired might also be bias as every social entrepreneurs encounters different circumstances in their journey of running social enterprises. Besides, there is also a possibility in which important data was not mentioned as the interviewees have missed providing the information. In addition, the degree of the importance and contribution of the indicators from the conceptual framework towards the growth of social enterprises and the challenges were unable to be identified with this method.

7.4 Recommendations for Future Research

The limitation discussed in the earlier section suggested that such study can be further extended and improved. Firstly, the scope of the study can be enlarged whereby more social enterprises each in Malaysia and Singapore can be covered. According to Yin (2009), case studies can be replicated based on multiple case of same issue whereby it increases the reliability of the study. There can be more social enterprises selected in each country as additional valid findings can be acquired as compared to the present study. The samples used can be more representative and diverse to increase the external validity.

Besides, it is also suggested that future research can be an empirical study using combination of qualitative and quantitative approach. The combination of the data using different approach help to improve the evaluation by ensuring the limitations of certain type of data being balanced by the strengths of another. As such study is possible to have bias as interviews are conducted among the social entrepreneurs, the presence of quantitative data help to support the weakness of qualitative data. For instance, Sharir and Lerner (2006) study the success of social ventures using qualitative and quantitative methodology for its data analysis and the findings presented are more concrete and does not face issue of bias. Besides, by using quantitative methodology to conduct surveys on the factors leading to sustainability of social enterprise and its challenged faced, the degree of the importance and the contribution of indicators as well as the struggles faced will be able to be examined.

7.5. Contributions of Study

This paper has made some contributions in studying the experience and characteristics of social enterprises in both Malaysia and Singapore by looking into the fundamental elements underpinning existence of social enterprises, factors leading to the growth and development of social enterprises, the challenges faced as well as lesson acquired from the study.

First and foremost, the study has contributed to the literature on social entrepreneurship, particularly such empirical studies that have been conducted. By using qualitative research approach and using the case study method, the experience and characteristics of social enterprise can be examined in details. It has filled in the gap of literatures particularly in the research done in both Malaysia and Singapore which social enterprise sector and literature are still in nascent stage.

Besides, through the lessons drawn from the study, this paper contribute by providing insights to young generation who has the heart of creating influence and have interest in knowing more about social entrepreneurship. It also provided information on the ecosystem and government support provided to encourage and support social entrepreneurship in the country. Besides, the differences in the experience and characteristics of social enterprise between the two countries also serve as a reference to improve the sector. For instance, it is shown that Singapore's education sector has played a significant role in social enterprise sector and the government ministries and agencies are also found to be more active as compared to Malaysia. It helps in policy recommendation which is the next contribution of the study.

Through this study, it contributes by recommending policy for social enterprises in the country. For instance, it benefit the country's government in better knowing the state of social enterprise. Specifically for Malaysia, it is suggested that the education sector is encouraged to participate in the effort of promoting social entrepreneurship as well as encouraging more government agencies and ministries to create more procurement with the social enterprises in the country. As the sector continue to develop, research on social enterprise is also important to develop better system particularly in monitoring the social impact performance.

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