Conclusion, Limitation and Future Research Avenues

Reasoning draws a conclusion, but does not make the conclusion certain, unless the mind discovers it by the path of experience. ~ Roger Bacon
Chapter 7

Conclusion, Limitation and Future Research Avenues

Social enterprises have been recognized and celebrated world over for its potential to change human lives. They are impacting the social problems and trying to change the status quo for the under-privileged. In order to help them increase their impact, it is important to understand the challenges they face in creating this impact. The studies related to this were mostly done by practitioners, which lacked the academic rigor. On the other hand, this had not caught the attention of academicians. The academic research on this was few and partial. To fulfill this gap, this study had been taken up.

The research started with the intention to identify the challenges faced by social enterprises. The study had three objectives i.e. to identify the challenges faced by social enterprises, to identify the factors affecting these challenges and to identify the intensity of the affect these factors have on the challenges faced by social enterprises. The focus was on the social enterprises working in livelihood sector. This sector was chosen due to its connectedness to all the sectors and to avoid the dilution of focus.

Mixed method research design had been used for this study. The first two objectives were achieved through the qualitative phase of the study. The last objective, to identify the intensity of the effect of affecting factors on each of the challenges, was achieved in quantitative phase of the study.

In the qualitative phase, social entrepreneurs and employees were interviewed, and beneficiaries were involved in focus group discussions. The data gathered from this was analyzed using grounded theory method. The study could discover eight major challenges and eleven affecting factors related to social enterprises working in the
livelihood sector. These factors and challenges were converted into a structured questionnaire.

This questionnaire was used in quantitative phase and administered on entrepreneurs and decision makers of the social enterprise working in livelihood sector. The analysis of their responses revealed the intensity of the relationship between the factors and the challenges. Some factors had significant effect on some of the challenges. Some inferences were drawn based on the intensity of the relationship. These inferences were the findings of this study. These inferences can have implications for policy makers, funders and social entrepreneurs.

7.1 Implications

7.1.1 Implications for Policy Makers

While policy is not the only solution for this emerging sector, but it can certainly play a catalytic role in mobilizing effective resources to build a supportive system (Scawab Foundation, 2013). They have an impact on the whole operation of the social enterprise. Thus, it is important for them to understand the hurdles of working in this sector. This study provides this information to the policy makers. It will help in identifying the factors which needs their intervention. Their focus on the affecting factors within their reach will reduce the challenges faced by social enterprises and create an ecosystem supporting the growth of the social enterprise.

7.1.2 Implications for Funders

According to Intellecap’s report, more than the availability of the funds, access to that fund is a problem for social entrepreneurs (Allen, 2012). There is a mismatch between the expectations of the funders and the output from the ventures. In most
cases, this happens because funders are not aware about the ground realities of sector. The funders, equipped with the understanding of the challenges faced by social enterprises, will certainly have more realistic expectations from their impact investments. This will relieve social enterprises from undue pressure for the unattainable returns and will also keep them focused. This study gives the funders an opportunity to understand the challenges of the social enterprises and it also enables them to make their investments more accessible.

7.1.3 Implication for the Social Entrepreneurs and Decision Makers

The study also intends to help the social entrepreneurs and decision makers of social enterprises in identifying their challenges before hand and prepare their organizations better. This will reduce the failure rate of the start-ups and will facilitate avoidance of stagnation for the more mature organization. The research will also contribute to the pool of knowledge by providing academically rigorous findings to this practice driven research field.

Even though this research has achieved its objective but it also had its limitations. And like any good research it is expected to raise questions for future research. The next section elaborates these limitations and future research questions.

7.2 Limitation and Future Research Avenues

The aim of any research is to pave the way for future research. The search of knowledge and truth goes on. The limitation of one study becomes the avenue for others to start. This study carries on this tradition and after presenting its findings and implications, stated below are the limitations and future research avenues.
1) The first limitation of the study was its scope. The scope of the study had to be limited to the Ashoka Fellows and the enterprises started by Ashoka fellows only because of authenticity of their database, clear definition of social entrepreneurs and their rigorous selection process. This also coupled with absence of other databases. The drawback of this selection was the fact that Ashoka identifies only individuals. It does not consider ‘enterprises’ for its fellowship. This forced the study to leave out the organizations which are doing good work but do not have a single leader, or the enterprises which are community owned. A further study of those organizations which are excluded from the list of Ashoka due this reason can give valuable information about the importance of leadership, succession planning and teamwork.

2) Researchers’ inexperience and bias is also a limitation for the study especially in the qualitative research, where experience of the researcher has significant impact on the interpretation of the transcripts. This required the researcher to put in more efforts and theoretical rigor on their part.

3) In its qualitative phase, the study explored three stakeholders i.e. Entrepreneurs, Employee and beneficiaries. Their views give one side of the story. But this phenomenon has multiple facets. The opinions of the other stakeholders are also important. Some of the other stakeholders like funders; incubators have registered their views in the report of GIZ (2012) but can again be examined from the academic perspective and rigor. This could also have been compared with the findings of existing studies. There are other stakeholders who have not been covered in the literature like channel partners, community (who is not part of the social enterprise), suppliers etc. could be investigated. Their views can throw some interesting facts about the challenges of the support providers of the social enterprises. The varied opinions can give a holistic picture of the social enterprise space.
4) The sample size has been a limitation for both the phases of the study due to time and resource constraints.

5) The partial least square (PLS-SEM) and co-variance based structural equation modeling (CB-SEM) are considered to be complimentary to each other (Hair et.al, 2012). This study has analyzed the data with the PLS-SEM so it can further be examined with the use of CB-SEM. This will remove the limitation of both the techniques.

6) The quantitative phase probed the perception of decision makers of the social enterprise about the relationship and intensity of the challenges and impacting factors, using structured questionnaire. The decision makers consisted of entrepreneurs and senior management employees. Further study can be conducted to examine the views of junior employees and beneficiaries.

7) This study has data from the primary sources. The limitations of the primary data source also apply here. Though with the help of triangulation, the bias from the source has been removed. But the process of data collection was time consuming and the volume of the data was large which made analysis difficult.