Chapter 10
Findings, Discussions and Conclusions

10.1 Introduction
The problem statement of this study was to “to explore and compare the similarities and differences between social entrepreneurial ventures (SEVs) and entrepreneurial ventures (EVs) in their nature, process and impact using empirical data from practicing social and commercial entrepreneurs and to identify the factors associated with social and financial impacts.” Though there are innumerable studies arguing possible differences and similarities among social and commercial ventures, there are hardly any empirical studies like this to bring evidences to these claims. The five chapters on data analysis explored the various objectives of this study in detail. This concluding chapter brings all the findings from the study and discusses the researcher’s perspectives and further research opportunities.

10.2 Intentions, inspirations and impact
The qualitative data analysis on social and commercial entrepreneurial ventures on their mission, values, and inspirations to start up and impact measurement practices brings in many interesting similarities and contradictions.

The top words used by SEVs in their ventures’ mission statements were, ‘rural’, ‘sustainable’, ‘communities’, ‘livelihood’, ‘poor’ and the like while, EVs mission statements had mostly words like ‘world’, ‘people’, ‘mobile’, ‘business’ and ‘technology’ indicating a clear distinction from that of commercial entrepreneurs. Social entrepreneurs had nobler and altruistic missions stressing empathy towards the marginalized. EVs emphasized more professional and business like words and oriented strongly towards technology enabled tools and customer satisfaction.

The top values driving social entrepreneurs were different from that of main stream entrepreneurs. While social entrepreneurs considered transparency, sustainability and social responsibility as the guiding values of their ventures, commercial entrepreneurs consider integrity, customer centricity and honesty as top three values. Social entrepreneurs are more committed to bringing in transparency and sustainability and creating socially responsible
ventures whereas, entrepreneurs believe in delivering their services to their customers with integrity and honesty.

Many studies have pointed to the differences in mission and values as the most important difference between social and commercial entrepreneurial ventures (Brozek 2009; Dees 1998b; Dees et.al. 2003; Seelos et.al. 2005). This study reiterates these claims as the mission statements and values of EVs and SEVs were different and may be considered as two end of the spectrum, SEVs were more emotional while EVs were more rational.

Social entrepreneurs and their background have stronger linkage than commercial entrepreneurs in choosing the opportunity. They appear to be more empathic to societal problems like lack of regular power supply, unemployment of youth, poor quality of education, poor infrastructure, lack of finance, poor living conditions among women and children and the like. Commercial entrepreneurs are largely inspired by intrinsic reasons and driven by their entrepreneurial nature and reasons which are more personal. In this study, a little less than one thirds of the commercial entrepreneurs and over half the social entrepreneurs identified the current business opportunity based on their background. There was a statistically significant difference between social entrepreneurs motivated by extrinsic reasons compared to the intrinsic reasons of commercial entrepreneurs. This finding corroborates the earlier studies on entrepreneurial opportunities and background of social and commercial entrepreneurs by various researchers (Dorado 2006a; Shane 2003).

The study captured the impact measurement practices of both SEVs and EVs. Both use a variety of tools to measure the impact, in the context of their venture, products and services. There appears to be a conscious effort by entrepreneurs to measure financial and social impacts created. Most of them have moved forward from anecdotal studies and turned to indices and numbers. A few uses a mix of both qualitative and quantitative metrics. A growing number of EVs (45 percent) are using one or other type of metrics to measure the social impact, thus indicating the emergence of new breed of entrepreneurs who seem more socially responsible and aware of the far reaching social impact created by their enterprises. Among both SEVs and EVs only 4% of them measured environmental impact of their ventures.
Another objective of the study was to attempt to redefine social entrepreneurship based perspectives from practicing entrepreneurs. Though there are many definitions proposed by academicians, very rarely there are attempts made to define the phenomenon from the practitioners’ point of view. The content analysis of various definitions given by social entrepreneurs had mainly four parts, social motive as a starting point, existence of a pressing social problem, a viable business solution and multiple impact creation. After examining various definitions this study attempts to define social entrepreneur as below, hoping to capture the complex nature and characteristics of their venture.

“A social entrepreneur is a person who, governed by altruistic values and social motives, identifies a pressing social problem(s), develops a viable business solution(s) and builds an enterprise to bring in the desired social and environment impact with financial sustainability.”

This definition is in consonance with Roberts & Woods proposition that, a definition of social entrepreneurship could be based on the mission of the enterprise or on the process that is followed or on the outcomes that are achieved (Roberts & Woods, 2005).

10.3 Nature of EVs and SEVs – Convergents and Divergents

A quantitative exploration on the differences or similarities in SEVs and EVs and their founders was another objective of the study. SEVs differed from EVs statistically in sector of operations, legal entity of ventures and existence of board of directors. SEVs priority sectors of operations were agriculture, education and energy while EVs top sectors were IT & ITES, consultancy and education. SEVs had more options to legalise their entity than commercial entrepreneurs, as a few of them chose hybrid structure, along with being a proprietary firm, partnership, private or public limited or LLP. This is as suggested by Dees et.al, that existence of various legal entities is common among social entrepreneurs (Dees et.al. 2003).

The study showed SEVs appear to have formed more board of directors than EVs. Three fourths of SEVs had a board to report to whereas six of every ten of the EVs had formal board of directors. This could be attributed to the reason that SEVs are more transparent and have open
governance practices. The data showed no evidence to prove that either EVs or SEVs had more intellectual property rights registered.

The founders of SEVs and EVs differed statistically in age groups and family background. While the mean age of a social entrepreneur was 38 the mean age of entrepreneur was 32. Over eight of every ten of the mainstream entrepreneurs were first generation entrepreneurs and come from family of job goers whereas seven of every ten of social entrepreneurs were first generation entrepreneurs in this sample. The study showed no significant difference in work experience, gender, educational qualifications among the founders of EVs and SEVs.

Further analysis showed that SEVs differed from EVs in many demographic characteristics. SEVs were older than EVs. SEVs had more number of staff, full time, part time and volunteers than EVs. SEVs had more partners than EVs and works with an average of 37 partners while EVs had 4 partners on an average. This finding is in line with a similar finding amongst UK social entrepreneurs using GEM data (Harding et.al. 2006).

The data in this study showed the “Social quotient” of social entrepreneurs seems to be higher than regular entrepreneurs. This finding leads to a significant revelation that SEVs work with more people than EVs which may result in more complex managerial challenges. It also points to the fact that social entrepreneurs may need to spend their time managing diverse staff and partner groups. Earlier studies showed that social entrepreneurs show a real appetite for working with multiple partners (Brenneke et.al. 2007). This multi-agency networking nature of social entrepreneurs is described in earlier studies (Shaw et.al. 2007). Austin et.al, say that social entrepreneurs rely on a wide network of contacts and their robust network provides them access not only to funding but also act as board members, management team and employees. (Austin et.al. 2006).

A few of the matrices, namely start-up capital to start the venture, number of customers and sales to employees’ ratio (efficiency ratio) showed no significant differences between SEVs and EVs.
Another significant finding of this study was, SEVs had lower annual sales turnover than EVs but have a large number of people to manage, in terms of full time, part time staff, volunteers and partners. The higher number of staff and partners can lead to low efficiency. In the sample, SEVs are older compared to EVs. Though older and having more number of people, they are unable to produce higher annual sales turnover compared to EVs. The sales per customers’ ratio need to be improved to bring profitability. The study also found that both the ventures do not differ in the number of customers they serve annually meaning the social impact created by both are similar, but SEVs had lower financial performance.

SEVs and EVs funding patterns and sources are analysed to know the similarities and differences. Many of the entrepreneurs take pro-active measures and fund themselves using funds from self and family than looking for external funding sources. Entrepreneurs in this sample study raised more funds from internal sources than external sources. This is in line with Dorado’s finding that most of the entrepreneurs first tap the resources of own and family and friends (Dorado 2006a).

All the major sources of funds, like self-funds, funds from family and friends, professional funds from corporates and venture capital firms have equally contributed to both EVs and SEVs sources of funds. However, there were statistically significant differences in the funding patterns between EVs and SEVs, if they were funded from social venture capital firms, bank loans and prize money from awards. Many of the social entrepreneurs are also getting public recognition and win awards and use their prize moneys to fund their venture which is not usually found among commercial ventures.

Contrary to many findings that SEVs face different challenges, opportunities and threats compared to EVs (Dees 2007; Dorado 2006a; Mair et.al. 2006), this study found that they face similar challenges. The top challenges faced were Finance, Marketing, HR and Government Regulations with a minor difference in their ranking. Obtaining finance is the major challenge for all entrepreneurs, this is been reiterated by many researchers (Austin et.al. 2006; Benzing et.al. 2009; Kozan et.al. 2006). The social entrepreneurs have expressed the challenges more strongly than entrepreneurs and their scores were higher. For Social entrepreneurs having the
right people in the team who share the same mission and passion as themselves was a greater challenge than regular entrepreneurs. This is discussed by many social entrepreneurship researchers (Austin et.al. 2006; Mair 2010).

However SEVs were more pessimistic compared to EVs in terms of perceived opportunities available to scale their ventures. They believe they have a long way to go in capturing their market and still at a nascent stage. They are constantly under to reduce the cost of production and price the lowest. They also perceive that they don’t have strong intellectual property rights and difficult to find the required funds necessary for their operations. EVs believe that they have greater cross and up selling opportunities. Both believe that they are not able to make much progress in creating supportive laws and rules by lobbying with Government.

Both SEVs and EVs feel less threatened by competitors and feel they have a bigger scope for further growth. SEVs are most cost conscious than EVs, as expected considering the nature of their target group(s). Overall, both SEVs and EVs have not been very enthusiastic about opportunities and score them negative with a mean of 4. SEVs have scored higher than EVs, indicating their pessimism and differ statistically from EVs on overall scores on opportunities. Both perceive threats on a similar way and do not differ statistically.

### 10.4 Business models of SEVs and EVs – Diversgents and Convergents

The six major building blocks based on Osterwalder’s business model are examined between SEVs and EVs to assess whether the process adopted by them were similar or different. The major findings were as below.

**Value proposition:** Both SEVs and EVs differed in the value proposition they offered to their target groups. Though SEVs strongly agree that their products and services are for customers at the bottom of the pyramid, they don’t believe that they made adequate progress in alleviating the problem faced by the customers and feel that the problems are huge in magnitude. There are many evidences in the extant literature addressing the issue of socialness in the value proposition of SEVs which act as a major differentiator. Their value proposition is designed to alleviate the problems faced by poor or marginalized in the community (Dees et.al. 2003; Hibbert et.al. 2005;
Mair et.al. 2006; Weerawardena et.al. 2006b). EVs on other hand feel that they are able to solve the issues of their target groups quite satisfactorily.

However, building a strong brand in the market, creating products/services well aligned with customer needs or developing highly differentiated products which cannot be substituted easily by competing products and the like, seem to be common requirements for EVs and SEVs.

**Customer segments:** Both SEVs and EVs had multiple profitable customer segments. Both have increased the number of customers significantly and have excellent customers’ relations management systems with efficient customer databases. They are very positive that they are able to satisfy their customers to a great extent and hence, both perceive that they may not switch to competing products if available, though both feel creating loyal customer segments is difficult. EVs consider that their target groups are profitable, while SEVs feel they are less profitable which is true again due to the nature of target groups. The importance of building multiple profitable customer segments and creating differentiating services is crucial to both the ventures (Dees et.al. 2003).

**Channel:** Integration of various channels is a major challenge among SEVs compared to EVs. SEVs do not provide online payment services to their customers, due to the inaccessibility and computer illiteracy of their customers. SEVs feel they need to improve after sale service to their customers. Both strive to reach their customers directly and believe in easy access. Channel integration especially to rural customers is difficult and time consuming and require sometimes disruptive and creative mechanisms. A few SEVs have created mobile based technologies to overcome this difficulty in rural markets (Prahalad 2006).

**Revenue Model:** While both SEVs and have multiple revenue streams which are stable, both differed in terms of revenue margins. SEVs do not have strong revenue margins and are not able to collect money before they incur expenses compared to EVs. They do not have predictable annual revenues unlike EVs. Creating a strong revenue model is very crucial in developing a sustainable business model and SEVs find it difficult due to the poor economic conditions of their customers. A few of the SEVs created income based financial services and flexible products
payment cycles for poor customers to overcome this issue. According to this study, the most important differentiator between SEVs and EVs is their revenue models with SEVs’ being weaker.

**Cost and Price:** Both strive to keep down the costs and attain economies of scale. Both have strong pricing pressures and opine that cost effective operations is the way forward. Costing and pricing strategies are scored same by SEVs and EVs with all the ventures striving to provide products and services though efficient and cost effective operations and economies of scale.

**Infrastructure and resources:** SEVs feel that they do not have adequate resources and infrastructure to serve their markets. Both SEVs and EVs have similar low scores and perceive that they have efficient partner networks. Both feel strongly that they lack efficient managers to scale up their businesses.

Nine factors emerged out of a factor analysis based on 32 variables of business models which are, people centricity, customer value orientation, customer relations, infrastructure and resources, sustainability, channel efficacy, price and cost efficiency, scalability and revenue models. An overall comparison of factor scores showed significant differences between EVs and SEVs which is an indication that both SEVs and EVs follow different strategies or business models to reach their objectives. The statistically significant different factors are listed below:

- SEVs had higher customer relations scores than EVs
- EVs had higher scores on infrastructure and resources than SEVs
- EVs had higher channel efficacy than SEVs
- EVs had robust revenue models than SEVs

SEVs and EVs did not differ significantly on people centricity, customer value orientation, sustainability, scalability and price and cost efficiency.

Interestingly, both SEVs and EVs compete in providing products and services based on a customer centric value proposition and both score excellent in this factor. Similarly scores on people centricity and efficient use of partners and employees are very high among both the type
of ventures. Lower prices and cost efficient production systems are common for both SEVs and EVs. Both have similar scores on economies of scale.

EVs had stronger business models (indicated by the –ve values) compared to SEVs and the overall difference in their business models showed statistically significant results. This also shows the confidence of EVs in their strategies and abilities to implement them compared to SEVs.

Based on the nine factors a cluster analysis is done to understand how SEVs and EVs group. Three clusters emerged. First cluster had 13 SEVs and 26 EVs who scored high on various their business model. 2nd cluster had the highest number of ventures, with 30 SEVs and 33 EVs scoring average on their business models. The last cluster had 40 ventures with 21 SEVs and 19 EVs scoring lowest on their business models.

10.5 Social and Financial Impact of SEVs and EVs
The study explored profitability in detail explored factors leading to profitability status of ventures. Among the sample of 142 ventures, 55 were profitable ventures (39 percent), 38 of them have reached break-even (27 percent) and the rest 49 currently were in deficit (34 percent). However, there was no significant relationship between profitability status of a venture and the nature of the venture - being SEV or EV indicating that both SEVs and EVs had equal probability of being profitable.

A closer look at all the dependent variables leading to profitability using ANOVA and post hoc tests are performed keeping profitability status as grouping variable. The three groups were profitable, break-even and deficit. Significant differences between groups of ventures based on current profitability were found in age of the ventures, annual sales turnover and average sales per customers. There was a negative correlation between age of the venture and profitability status, indicating that as the venture becomes older, they were less profitable. Break even ventures had more annual sales turnover than profitable and deficit ones. They differed significantly in sales per customers, with profitable ones had higher sale per customer ratio than other two groups.
The rest of variables like, full time staff, number of partners and customers, sales per employees didn’t show any difference between the three groups.

The data was further explored to analyse the importance of factors on profitability status of ventures using ANOVA and found profitable ventures had higher customer value orientation, customer relations and robust revenue models compared to the rests of the groups.

The three clusters emerged from factors differed significantly on annual turnover, number of full time employees, number of customers and sales per customers. Cluster one had higher annual sales turnover, and had lower number of employees and high sales per customer ratio.

General Linear models showed the combined effect of being EVs and SEVs and profitability status. The results showed the age of the venture differed significantly between EVs and SEVs and profitable, break even and deficit ones. Profitable ventures and SEVs were older than the rest.

There is a highly significant positive correlation with age of the venture and annual turnover, number of customers, full time staff. However there is a negative correlation between age of the venture, sales per customers and sales per employees since the ventures become more efficient as they grow older. The number of customers is positively correlated with the number of full time staff in SEVs along with efficiency ratios, but for EVs this is correlated to business model scores and number of partners along with number of staff. Sales per employee or efficiency ratio are correlated to the business model scores in case of SEVs. It also means that business models are more important for SEVs to bring in more annual sales turnover and efficiency to the system.

Further analysis is done to predict important outcome constructs like social and financial impact created by both SEVs and EVs using stepwise multiple regressions. Revenue model and Annual turnover are taken as financial performance indicators. People centricity and number of customers are taken as social impact indicators. Strong customer value orientations, pricing and cost efficiency and scalability scores predicted revenue models among EVs. Higher customer
relations predicted people centricity among SEVs. Annual turnover among EVs were predicted by their scores on revenue models and scalability along with full time staff. Number of full time staff and revenue model predicted annual turnover for SEVs. Social impact is measured by their scores on infrastructure and resources, scalability and revenue model scores among EVs. SEVs, though, customer relations, channel efficacy and scalability were important predictors of people centricity. Numbers of customers are predicted by scores on customer relations and number of full time staff among EVs. Annual turnover was the major predictor of number of customers for SEVs.

The categorical placements of venture among profitable ventures were done using a multinomial logistic regression. Profitability status of the venture were predicted by the venture’s scores on customer relations, customer value orientation and revenue models along with age of the venture and number of customers.

The discriminant analysis showed the factors discriminating profitability among ventures. These were customer value, customer relations and revenue model. Age of the venture and sales to customer ratio were other discriminating variables.

A partial least square based structural equation modelling showed people centricity, customer relations and sustainability had high higher effect on social and financial impact created by EVs, while people centricity, customer value and sustainability were important among SEVs.

All the tests showed somewhat similar results with three factors emerged as common in both the models. A high orientation of providing customer value, efficient customer relationship management and a robust revenue model are important contributors to decide the profitability of ventures. Further, the MANOVA tests from earlier chapter showed customer relations and revenue models are the strongest differentiators of profitability and SEVs and EVs as combined.

To conclude, developing products with inputs from customers, creating a strong brand, a loyal clientele, cost based pricing and creating loyalty programs (ingredients of a strong customer relations, factor 3) and developing profitable customer segments, stable and predictable profit
margins and creating multiple revenue streams (constituents of revenue model, factor 9) appear to be the way forward to achieve financial stability.

People centricity and customer value orientation are the two important factors emerged to improve social impact. People centricity is higher for ventures that had efficient partnerships, capable employees and managers. Highly satisfied customers with products and services co-created by them, who in turn will find difficult to substitute them with other products, are the key to improve customer value orientations. The final model represents these strategies which are shown in figure 8.1.

10.6 SEVs and EVs - Overall Comparison
The table 10.1 summarizes the differences and similarities between SEVs and EVs in their nature, funding, challenges, opportunities and threats perceived, business model adopted and financial and social performance.

Table 10.1 SEVs and EVs: Convergents and Divergents

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Divergents</th>
<th>Convergents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Founders</td>
<td>Mission statements Top 3 values Inspirations Age group of the founder Family background of the founder</td>
<td>Earlier work experience with start-ups Gender Educational qualification of the founder Number of years of work experience Number of years of experience with start-ups</td>
</tr>
<tr>
<td>Ventures characteristics</td>
<td>Sector of operations Existence of Board of Directors Legal Entity of the venture Age of the venture</td>
<td>Intellectual property rights Start-up capital USD</td>
</tr>
<tr>
<td>Funding sources</td>
<td>Social Investor Bank Loans Awards</td>
<td>Self Family &amp; Friends Corporate Funding Foundation Grants Commercial Investor Government Funding</td>
</tr>
<tr>
<td>Top Challenges, Opportunities and Threats</td>
<td>Perceived Opportunities</td>
<td>Marketing Obtaining external finance Government regulations Major challenge - Sales HR Management</td>
</tr>
</tbody>
</table>
10.7 Discussion

The study came up with engaging insights into the working of social and commercial entrepreneurial ventures. On one side, both SEVs and EVs showed similarities but, on the other side, they showed stark differences in their nature, process and impact. Social entrepreneurs appeared to be motivated by empathic mission statements, consider upliftment of poor as their top guiding principle and are problem focussed, while commercial entrepreneurs appear more rational and customer focussed. A set of context specific impact measurement practices, quantitative and qualitative, were used by both the ventures. A new breed of commercial entrepreneurs who are measuring social impact created by their venture is a very welcome trend. However, environmental impact is measured hardly by any of the ventures. The new definition of social entrepreneurs based on practitioners’ perspective captures the mission, social problem, process and outcome of their actions. It also captures the complexity of their actions and provides new dimensions to their entrepreneurial nature.

While analysing the demographics of SEVs and EVs, it is found that SEVs were older and their founders too were older and presumably more experienced than that of EVs. SEVs chose sectors which had more social dimension, like agriculture, education and energy etc; while commercial entrepreneurs choose more sunrise sectors like IT & ITES, consulting and similar. Education sector attracted both SEVs and EVs; however SEVs working more underprivileged which made all the difference. A few of the SEVs had hybrid structure, balancing for-profit and not-for profit entities. Most preferred choice to legalise their entity was private limited among both.
SEVs seem to have a much higher social quotient, working with more number of employees and partners than EVs. This put a greater strain on them as their managerial complexities are higher and take the time and abilities managing diverse groups of partners and employees. SEVs had lesser annual turnover. But, they are as profitable as EVs and reach the same number of customers like that of EVs. One of the hindrances to better financial performance may be to reduce the number of employees and partners, but may not be feasible in most case, considering the nature of their target groups and terrain they work with.

SEVs and EVs had similar funding patterns depending mainly on funds from self, family and friends, though SEVs had more variety of sources to choose from. Obtaining finance and marketing are the top two challenges faced by both the ventures. However, SEVs were more pessimistic in their perception towards opportunities to grow. Though the challenges faced are similar, SEVs showed lesser hope in the future growth which is unwarranted.

The analysis of SEVs and EVs business model showed overlapping similarities and but at the same time contradicting differences. The factor scores of the business model components were compared. Scores on customer centricity, infrastructure and resources, channel efficacy and revenue models were statistically different among EVs and SEVs. However, there was no significant difference between people centricity, customer value orientation, sustainability pricing and cost efficiency and scalability. Though SEVs were more people centric, had higher customer value orientation and customer relations than EVs, they seriously lagged much below in revenue models. Their profit margins are weaker, had lesser profitable market segments and had fewer revenue streams. SEVs appear to need to focus more on their revenue models, and use strategies to strengthen their profitability. However, this may not by easy as most provide products and services at a subsidised rates and highly cost efficient operations. The study points out to improving their customer relations could be one way of improving revenue models. The present study finds that it may be useful for them to expand their target groups and create more profitable segments through upselling and cross selling opportunities. Improvement in part or full of business model factors has the potential to bring in the required financial and social
performance, since the ventures who had membership in cluster one were more profitable and had a higher scores on all factors based on business model.

Financial impact can be improved by concentrating on developing products with inputs from customers, creating a strong brand, a loyal clientele, cost based pricing and creating loyalty programs (ingredients of a strong customer relations, factor 3) and developing profitable customer segments, stable and predictable profit margins and creating multiple revenue streams (constituents of revenue model, factor 9).

People centricity and customer value orientation are the two important factors that emerge in order to improve social impact. People centricity is higher for ventures that had efficient partnerships, capable employees and managers. Highly satisfied customers with products and services co-created by them, who in turn will find difficult to substitute them with other products, are the key to improve customer value orientations.

The final chapter on data analysis explains briefly 10 caselets of successful social entrepreneurs followed by a description and a model of best practices adopted by them. Successful social entrepreneurs appear empathic towards the needs, culture, lifestyles of the target customers and seem to excel in creating products and services which fits well in the life of the poor. They use locally available recourses; (hu)man, machine, materials and money, and adapts relevant technology, to develop an integrated, environmentally responsible solution(s). They take advantage of the complementary skills of their partners and also train and develop more and more micro-entrepreneurs. They provide the necessary finance to the rural poor to acquire their products. The end goal is inclusive growth by improving the lives of the poor.

10.8 Opportunities for further research
This study is just a “tip of an iceberg” kind of a study. There is a lot more to find out about social entrepreneurs. This study had limited samples chosen mainly from the database built by the researcher. A few of the areas which can be further explored are listed below.

- Sector wise comparison of social entrepreneurs to understand the performance levels. This study has not considered sectors due to the small sample size.
• Detailed examination of impact measurement practices of social entrepreneurs especially quantitative tools. There is a need to understand them in detail, as there are still no standard tools which can be used by any social venture.

• Exploration of business models and their effect on performance, sector wise. If known, which sector creates more social and financial performance among social entrepreneurial ventures, can lead to more entrepreneurs choosing this career path.

• Creating a comprehensive social impact assessment framework which can be used by social entrepreneurs. This is very important especially when they raise funds from professional VCs.

• Analysing financial performance of social entrepreneurs using commonly used accounting practices. Current study is limited to a few of the financial performance indicators like annual sales turnover and profitability status. An in-depth understanding of the profit and loss statements, balance sheet etc can bring in more knowledge on the financial performance of these firms.

• Primary data collected directly from customers and employees of SEVs to measure the social and financial impact created by them.

10.9 Conclusion

This comparative study on SEVs and EVS provided many exciting results. While SEVs contradicted in many areas from that of EVs, they also shared many similarities. The study supports many earlier researchers on their differences on mission statement and values (Brozek 2009; Dees et.al. 2003; Martin et.al. 2007; Perrini et.al. 2006a; Thompson 2002; Yunus et.al. 2010).

This study showed partially different processes and business models adopted by SEVs compared to EV, contradicting and supporting earlier researchers (Guclu et.al. 2002; Mair et.al. 2006; Martin et.al. 2007; Meyskens et.al. 2010; Wolk 2008; Yunus et.al. 2010). Social and financial performance of SEVs and EVs didn’t show much difference and both showed same level of profitability status and social impact created. This again contradicts many of the earlier researchers that SEVs create more social impact than EVs (Dees et.al. 2003; Elkington 2004).
The study redefined social entrepreneurs based on practitioners’ perspective. A model based on business model analysis which leads to better social and financial impact is created as a ready reckoner. The best practices of ten chosen successful social entrepreneurs are also narrated based on qualitative data analysis. This study points out to how social entrepreneurs and commercial entrepreneurs can leverage their existing capabilities to reach out to more needy customers, and create the required social and financial impact.

To conclude, entrepreneurs, social and/or commercial; are important catalysts for economic and social growth of a nation. While commercial entrepreneurs provide solutions to mainstream customers, social entrepreneurs are devising strategies to provide affordable solutions to the poor. Their altruistic aim is to minimise the income inequality and provide dignity to the poor at the same time create a successful enterprise which can achieve social, economic and environmental impacts. This study helps to identify those critical factors of their business model and best practices which can help them achieve these objectives more efficiently. Another intention is to advance research in the nascent field of social entrepreneurship and bringing more enthusiasm in academicians and practitioners.