THE ROLE OF GENDER ON FORMING SOCIAL ENTREPRENEURSHIP INTENTIONS IN EMERGING ECONOMIES

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Abstract

Social entrepreneurship has been a topic of interest in theory and practice in recent years, especially in developing countries. However, previous studies often focused on students. This study is designed to examine the social entrepreneurship intentions of those who are working from the perspective of an emerging economy. The proposed research model is built on the assumptions that the *Exposure* of social business activities and *Perceived social support* are considered as important prerequisites of *Social entrepreneurship intentions*. These relationships are tested as intermediaries of personal perception factors and especially gender factors, which are quite important characteristics in emerging economies. A survey was conducted from August 2019 to October 2019 and involved 429 respondents, who have been working, about their social entrepreneurship intentions. Data were analyzed using partial least squares structural equation modeling. The results show that *Exposure* and *Perceived social support* have a strong impact on Social entrepreneurship intentions. The moderating role of gender is also confirmed. These findings shed light on existing literature on social entrepreneurship, in particular, studies of social entrepreneurship from the perspective of emerging economies. Research also contributes to making policies and practical recommendations to promote social entrepreneurship in emerging economies.

Key words: Social entrepreneurship, Intention, Exposure, Perceived social support, Gender

JEL codes: D9, L26, L31.

Introduction

Social enterprises have existed in many different forms throughout history (Fairbairn, 2001). Their mission is to address existing but unresolved social problems. Social enterprises can create a positive impact on society by offering innovative business solutions for social challenges. Social entrepreneurs always bring about profound social change by solving some of the most pressing social problems such as poverty, social inclusion, public service support

and environmental problems (Zeyen et al., 2013). Therefore, the raising of social entrepreneurship is considered a key factor for a country's sustainable development (Mair & Noboa, 2006).

The concept of social entrepreneurial intentions was first introduced by Mair & Noboa (2005). The number of studies has increased sharply since 2017, showing that this research topic is receiving more and more attention from scientists. Although many studies in this area have been carried out over the past two decades, the question of their appropriateness in specific local contexts has not been adequately answered. Therefore, this study is oriented to explore factors that promoted social entrepreneurship in an emerging economy like Vietnam.

1 Literature review

1.1 Social entrepreneurial intentions model

Social entrepreneurial intention refers to the intention of starting a social enterprise (Mair & Noboa, 2006). It is seen as spiritual evolution, creating incentives that motivate individuals to learn the necessary knowledge and implement plans to become a social entrepreneur (Mair et al., 2006). Mair and Noboa (2006) have developed social entrepreneurial intentions model based on a combination of The theory of planned behavior (TPB) and the Entrepreneurial Event Model.

The model of Mair and Noboa (2006) suggests that the social entrepreneurial intentions depend only on perceived desirability and perceived feasibility. Once social entrepreneurs have an intention to start a social business, they must have confidence in their actions. Based on the model of Mair and Noboa (2006), the following research hypotheses are stated:

Hypothesis H1: Perceived desirability has a positive impact on the social entrepreneurial intention.

Hypothesis H2: Perceived feasibility has a positive impact on the social entrepreneurial intention.

1.2 Perceived social support

Social support is defined as social interactions or relationships that assist individuals or embed them in a friendly social system (Hobfoll, 1988). Social support theory explains that the support received from interpersonal relationships has a positive effect on how a person faces stress or changes in life. Therefore, it is necessary to consider the influence of human capital simultaneously in terms of individuals and national contexts (Estrin et al., 2016). In the context of social entrepreneurship, individuals are affected by the level at which they receive support from those in their personal networks. Close environmental support (close, trustworthy and

influential people) leads people to believe they are more likely to be suitable and viable for a business career (Liñán & Chen, 2009).

Hypothesis 3.1: Perceived social support is positively related to perceived desirability.

Hypothesis 3.2: Perceived social support is positively related to perceived feasibility.

Hypothesis 3.3: Perceived social support is positively related to social entrepreneurial intentions.

1.3 Exposure

According to psychology, Exposure is seen as a state of contact with something that influences individual perception (Zajonc, 1968). Exposure in an area raises the perceptions specific to that field, which leads to the perception of an opportunity of starting a business. Davidsson and Honig (2003) argue that the role of entrepreneurship experience in exploring business opportunities is very important. Entrepreneurs often start businesses in the field related to their previous exposure. This is due to an identification of opportunities offered by previous experiences (Shane, 2000). Mair and Noboa (2006) have shown that participation in social activities is the premise for many factors influencing social entrepreneurial intentions. By becoming social entrepreneurs, they want to solve social problems and bring benefits to society.

Hypothesis 4.1: Exposure is positively related to perceived desirability.

Hypothesis 4.2: Exposure is positively related to perceived feasibility.

Hypothesis 4.3: Exposure is positively related to social entrepreneurial intentions.

1.4 The influence of gender in the social entrepreneurial intentions

Gender is often included as a variable in empirical studies. Despite the increasing number of female entrepreneurs, starting a business is still considered suitable for men (Gupta et al., 2009). The GEM 2018/2019 report shows that the average rate of starting a business in the world for women is only about 10%, significantly lower than that of men (Elam et al., 2019). In general, men are more likely to start a business than women (Maes et al., 2014). This study considers gender as a moderator variable in the social entrepreneurial intentions model. Based on these arguments, the following research hypotheses are stated as follows:

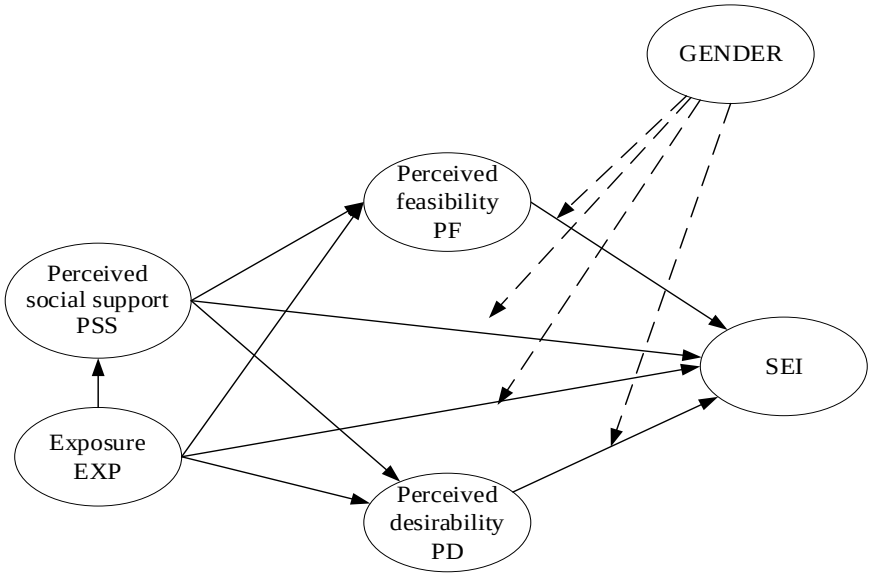
Hypothesis H5.1: Gender plays a moderator role in the relationship between Perceived social support and Social entrepreneurial intentions.

Hypothesis H5.2: Gender plays a moderator role in the relationship between Exposure and Social entrepreneurial intentions.

Hypothesis H5.3: Gender plays a moderator role in the relationship between Perceived desirability and Social entrepreneurial intentions.

Hypothesis H5.4: Gender plays a moderator role in the relationship between Perceived feasibility and Social entrepreneurial intentions.

Fig. 1: Proposed research model



Source: Own proposed research model

2 Data analysis

2.1 Data collection

To test research hypotheses, this paper uses Partial Least Squares Structural Equation Modeling (PLS-SEM) with a convenient sampling method. Data was collected through a questionnaire designed on Google Forms between May 2020 and November 2020. The scales are inherited from researches by Ayob et al. (2013) for those factors as Exposure, Perceived desirability, and Perceived feasibility, and (Hockerts, 2017) for Perceived social support and Social entrepreneurship intentions.

A total of 429 workers in Vietnam participated in this survey, of which the majority were men (accounting for 72.3%). The age of the respondents was quite equal, with 16.1% from 18 to 25 years old, 43.4% from 26 to 35, 23.5% from 36 to 45, and 17% older than 45. Most of them have university degrees (66.4%), the rest have high school, college, and post-graduate degrees with rates of 11.4%, 18.9%, and 3.3%, respectively.

2.2 Results

According to Hair et al. (2019), a PLS-SEM analysis process should be done through two phases: measurement model assessment and structural model assessment. At phase 1, this study conducted the reliability assessment (with Cronbach's Alpha and Composite reliability),

convergent validity (loadings and Average Variance Extracted - AVE), discriminant validity (Fornell - Larcker criterion and heterotrait-monotrait ratio - HTMT), and multicollinearity (VIF). In phase 2, the article evaluated the predictive power of the model through the coefficient of determination (R2), then assessed the impact level with the path coefficients.

Tab. 1: Reliability, convergent validity and multicollinearity test

	Cronbach's Alpha	Composite Reliability	AVE	Outer loadings	VIF	R^2
Cut-off (Hair et al, 2019)	*0.7*	*0.7*	*0.5*	*0.7*	*3*	*0.1*
Perceived feasibility	0.830	0.880	0.596	0.736 – 0.809	1.579 – 1.901	0.267
Perceived desirability	0.727	0.845	0.645	0.771 – 0.852	1.408 – 1.478	0.153
Perceived social support	0.749	0.857	0.667	0.762 – 0.848	1.361 – 1.685	0.273
Social entrepreneurial exposure	0.752	0.844	0.575	0.707 – 0.798	1.325 – 1.608	-
Social entrepreneurship intentions	0.783	0.873	0.697	0.802 – 0.851	1.593 – 1.722	0.344

Source: Data analysis

The results in Tab. 1 show that the conditions of reliability, convergent validity, and multicollinearity are all satisfied. Also according to Hair et al. (2019), the discriminant validity assessment is also satisfactory (See Tab. 2). The square roots of AVE (bold values) are greater than the inter-construct correlations (Fornell – Larcker criterion). Meanwhile, the HTMT values (italic values) are also less than the threshold of 0.85. Thus, the model is satisfactory and can be further evaluated at the next stage.

Tab. 2: Fornell – Larcker criterion and HTMT

Factor	(1)	(2)	(3)	(4)	(5)
Perceived feasibility (1)	**0.772**	*0.602*	*0.558*	*0.582*	*0.506*
Perceived desirability (2)	0.469	**0.803**	*0.425*	*0.480*	*0.452*
Perceived social support (3)	0.443	0.317	**0.817**	*0.690*	*0.664*
Social entrepreneurial exposure (4)	0.459	0.362	0.523	**0.758**	*0.579*
Social entrepreneurship intentions (5)	0.408	0.349	0.518	0.450	**0.835**

Source: Data analysis

The R2 indicators are satisfactory (See Tab. 1). Social entrepreneurship intentions are best explained in the model because they have the highest coefficient of determination (R2 = 0.344). The remaining factors are arranged from strong to weak, namely Perceived social support (0.273), Perceived feasibility (0.267), and Perceived desirability (0.153). On the other hand, the results are in Tab. 3 have shown that the path coefficients were all positive. This means that the research hypotheses are accepted.

3 Discussions

The results of this research have shown that Perceived social support has the strongest impact on Social entrepreneurial intentions (β = 0.333). The provision of social support is often seen as the foundation for the formation of entrepreneurial intentions and is confirmed in empirical studies (Hockerts, 2017). Scholars have suggested that social entrepreneurs build partnerships with diverse stakeholders to achieve social innovation (Estrin et al., 2016). The results also showed that Perceived social support from the working respondents is difference from the results of Hockerts (2017). This can explain that the students in previous studies were not aware of the necessary support. They only saw these as essential things to support their capacity, not as motivating factors. Therefore, supportive policies and programs need to equip and foster future entrepreneurs with social capital. Programs to create interaction, connection activities, and exchange activities in the social business community are solutions that need to be promoted.

Tab. 3: Path coefficients and Total Effects

	(1)	(2)	(3)	(4)	(5)
Perceived feasibility (1)					0.124
Perceived desirability (2)					0.122
Perceived social support (3)	0.279	0.176			0.333 (*0.389*)
Social entrepreneurial exposure (4)	0.313 (*0.459*)	0.269 (*0.362*)	0.523		0.175 (*0.450*)
Social entrepreneurship intentions (5)					

Italics values: Total Effects

Source: Data analysis

This article reaffirms that the presence of individuals previously exposed to social entrepreneurship activates their social entrepreneurial intentions. Exposure has a weaker impact on Social entrepreneurial intentions (β = 0.175) than Perceived social support, but through the moderated impacts of Perceived desirability and Perceived feasibility, this relationship is amplified and makes Exposure the most important factor (Total effect is 0.45 – See Tab. 3). This shows the importance of helping potential entrepreneurs get the desire of starting a social entrepreneur and see the feasibility of this option. Therefore, in startup training courses, the program needs to incorporate more subjects on entrepreneurship in order to enhance the desire as well as help future entrepreneurs see the potential of social enterprises.

Tab. 4: PLS-MGA test

	Path coefficients-difference	P-value
Perceived feasibility -> Social entrepreneurship intentions	-0.312	0.019

Perceived desirability -> Social entrepreneurship intentions	0.168	0.087
Perceived social support -> Social entrepreneurship intentions	-0.205	0.053
Social entrepreneurial exposure -> Social entrepreneurship intentions	0.294	0.005

Source: Data analysis

For testing the final hypothesis group, this research used PLS Multi-Group analysis (PLS-MGA) technique. The data in Tab. 4 shows that hypotheses H5.2 and H5.4 are accepted with significance level at 95%, while hypotheses H5.1 and H5.3 are at significance level 90%. As such, there are gender differences for relationships in the Social entrepreneurial intentions model. Women tend to seek help in the community as well as the feasibility of business projects, on the contrary, when developing startup plans, men often rely on their own passions, as well as field in which they have advantages on experience. Therefore, in order to promote social entrepreneurial intentions, policies and training programs need to be designed to different gender characteristics.

This study still has some limitations that should be noted when applicable to further researches. First, the sample size is chosen according to the conventional method, and may therefore not be completely representative of the population. Second, the research is conducted in a short time, so it may not reflect the variation on relationships in the research model. This problem can be improved through data collection at different times.

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