

Unleashing the Potential of Social Entrepreneurship for Sustainability: Best Practices from Georgia

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Abstract

Social and ecological entrepreneurship has the power to foster sustainable development encouraging sustainable entrepreneurship. In this regard, innovativeness plays an essential role in leading to sustainable entrepreneurship. This paper aspires to discuss how sustainable development can be achieved through entrepreneurship and explores best practices of sustainable value creation. A path towards sustainability requires complex approaches and innovative solutions. To accomplish its aims, the paper seeks to investigate the challenges faced in implementing social, economic, and ecological goals simultaneously in order to achieve sustainability. For this reason, the main goal of this research is to unveil practical approaches of social entrepreneurs to contribute to sustainable development goals. It identifies best practices and drivers of social entrepreneurship in Georgia (country). The paper illustrates examples and cases of social enterprises promoting sustainability through their activities. The research contributes to understanding the key factors and elements of social entrepreneurship through which it creates sustainable values and builds a sustainable future. Although we have identified the potential of social entrepreneurship for sustainability, there is a need for future studies to define the methods and tools for measuring the contribution of social entrepreneurship to sustainable development. In particular, the performance measurement system should be in place to measure enterprises' accomplishments. Future research should describe performance measurement tools for various sustainable enterprises and explore the most relevant approaches for this end.

Keywords: Social entrepreneurship, Sustainability, Sustainable Development Goals, Entrepreneur, Innovation, Emerging economies, Georgia

Materials and Methods

This research is based on qualitative research methods. Notably, the multiple and collective case study approach and semi-structured interviews were applied. The main research question is: How social enterprises in Georgia can contribute to sustainable development?

A qualitative method is a prominent approach to investigating social entrepreneurship (Gigauri & Bogacz-Wojtanowska, 2022; Gigauri & Djakeli, 2021). Moreover, the qualitative interview approach is widely accepted in entrepreneurship research (Neergaard & Leitch, 2017; Neergaard & Ulhøi, 2007). Semi-structured interviews facilitate in gathering comprehensive information and comparing the responses (Eisenhardt, 2021; Bernard et al., 2016). Additionally, the case study method explores a given case or set to comprehend social and business issues (Halkias et al., 2022; Yin, 2018; Durdella, 2019). The approach enables the collection of valuable data on a topic of interest (Brinkmann & Kvale, 2018; Patton, 2014).

The sampling process followed a nonprobability purposive sample technique (Patton 2014; Guest et al. 2006) as the sampling aimed to gain new insights about the research question rather

than confirm statistical validity (Chase & Murtha, 2019). The concept of saturation was followed to identify a sample size (Boddy, 2016; Cooper & Schindler, 2014; Corbin & Strauss, 2014).

The collected data was analysed by a thematic analysis tool and content analysis (Silverman, 2021; Krippendorff, 2018; Bernard et al., 2016; Patton, 2014; Flick, 2014).

According to the data of the website of Social Enterprise Alliance Georgia (seageorgia.ge), there were 63 social enterprises in 2021, however, at present, 47 social enterprises with 453 employees were registered on the website (SEA, 2024). Initially, all 63 social enterprises were studied through the website of Social Enterprise Alliance Georgia, their websites, and social media (Gigauri et al., 2022; Gigauri, 2022). Usually, Georgian social enterprises use Facebook pages to communicate with their customers or stakeholders. After gathering and analyzing data through accessible online sources, a multiple case study approach with semi-structured interviews was applied to further investigate social entrepreneurs in Georgia in the period of 2021-2023 years. Eighteen social enterprises participated in the interviews.

Social Entrepreneurship as a Driver of Sustainable Growth

Georgia, as a post-soviet country, has undergone continuous instabilities in political, social, and economic fields for the last 30 years. Market failure due to the rapid transformation towards a marketing economy and ineffective government involvement encouraged profit-oriented behaviour of the business without ethical or moral considerations, which caused the exclusion of vulnerable groups from available products and services (Gigauri, 2022). In those circumstances, entrepreneurship has taken the initiative and begun searching for business opportunities to solve social, economic, and environmental problems through contributing to the country's economy by creating jobs and engaging in innovation. Emerging markets offer additional opportunities for entrepreneurial innovations. Against this background, social entrepreneurship emerged as a response to economic, social, and ecological challenges facing the country.

Worldwide, social entrepreneurship has become an important field of research considering climate change, pandemics, war, migration, economic and social crises. The concept intends to improve the potential to solve grand challenges and contribute to the implementation of Sustainable Development Goals (SDGs).

Social entrepreneurship is defined differently in order to reflect a country's context (Starnawska, 2016; Cagarman et al. 2020; Defourny et al., 2021). However, all the definitions highlight that social entrepreneurship includes business operations for creating social value (Nyssens, 2021), and incorporates social mission, innovation, and revenue (Lepoutre et al., 2013). It should be emphasized that innovation has to be scaled to accomplish social impact (Lubberink et al., 2019).

Broadly, entrepreneurship is interpreted as a significant contributor to economic growth and social transformation (Apostu et al., 2022; Dodo et al. 2021). Similarly, social entrepreneurship facilitates economic and social development (Méndez-Picazo et al., 2020) and can combat poverty, hunger, pollution and inequality (Morris et al. 2021). From this perspective, the relationship between environmental and social issues has increasingly become evident, connecting social entrepreneurship with sustainable entrepreneurship to reach a solution (Cagarman et al. 2020). In a similar vein, social entrepreneurs are regarded as the powerful forces to achieve the 17 Sustainable Development Goals (Horne et al., 2020).

Furthermore, accelerating digitalization encourages innovative solutions while improving their business activities, innovativeness, and new market opportunities (Simón-Moya et al., 2022). To follow digital technologies, social enterprises should hire young people, and take advantage of advanced technologies in order to achieve their dual mission successfully (Gigauri & Djakeli, 2021). Digital platforms help social entrepreneurs encourage investments, gain community support, disseminate their vision of a sustainable future, as well as reach new markets. Social entrepreneurs in Georgia recognize that their future is determined by the management's abilities to attract talents and motivate employees (Gigauri & Bogacz-Wojtanowska, 2022). Partnership with various sectors such as business, public, non-profit, and governmental bodies can foster sustainable value creation and boost innovation. In applying the full potential of digital technologies including social media, social entrepreneurs gain support from partners, funders, employees, and the general population for their mission to achieve sustainability. Raising awareness through diverse communication channels will strengthen the sustainable entrepreneurial ecosystem.

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