Identifying social entrepreneurial intent among students in South African Universities

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A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Management specialising in Entrepreneurship and New Venture Creation

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Social entrepreneurship is considered to be a practical way of solving global social challenges. Social entrepreneurs are considered to be change agents with a purpose of making a difference to those in need. Therefore, developing social entrepreneurship and potential social entrepreneurs should be encouraged and celebrated. This study aims to identify potential entrepreneurs in South Africa, by examining the intentions of students at universities in South Africa with regard to establishing a social venture. Empirical evidence suggests that motivational factors influencing behaviour can be summarised as intentions. Ajzen’s Theory of Planned Behaviour (1991) suggests that intentions are a prerequisite for entrepreneurial behaviour. This study presents an integrated model drawing on existing social intention-based models by Mair and Noboa (2003) and Ayob et al. (2013). The study seeks to establish the significance of relationships between antecedents (empathy, exposure and self-efficacy) and perceived feasibility and desirability and their influence on social entrepreneurial intentions.

In order to analyse the hypothesised relationships in the proposed model, Structural Equation Modelling was conducted, based on 171 respondents. The findings of the study indicate that only empathy and exposure as antecedents to perceived feasibility had positive and significant relationships. The relationships between the antecedents of empathy, exposure and self-perceived desirability were insignificant. Surprisingly, the relationship between self-efficacy and perceived feasibility in this study was non-significant.

Social entrepreneurship has the potential to solve the challenging social problems currently facing South Africa. Because of this, a study to determine the elements that motivate Social Entrepreneurship Intentions is invaluable. The study should provide some guidance in promoting and encouraging entrepreneurship through various interventions (Malebana, 2014).
DECLARATION

I, Catherine Wilton, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Catherine Wilton

Signed at Johannesburg

On the ............................. day of March 2016
DEDICATION

To Victor and Morgan for all their patience, understanding and support.
ACKNOWLEDGEMENTS

The undertaking of this master’s degree as a mother, wife, full-time manager and sole provider has been challenging. It would never have been possible without the full support and understanding of my family and my in-laws who were always on call to assist with anything.

The study also would not have materialised without the participation of the students from the universities.

To my supervisor, Rob Venter for his support and advice: thank you.

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CHAPTER 1: INTRODUCTION

Traditionally, innovation, ideas and opportunities have been strongly related to entrepreneurship. However, Mair and Noboa (2003) suggest that these are no longer associated exclusively with entrepreneurship. Social entrepreneurship, although still in its infancy stage, is becoming a more recognised and accepted solution for solving some of the world’s most challenging problems.

The US financial crisis occurred in 2007/2008 and the subsequent global downturn from 2008 to 2012 was considered to be one of the most crippling since the Great Depression of the 1930s. While the longest-standing economic crisis is behind us, it is crucial that policy makers, businesses and individuals identify and strengthen driving forces that will propel economic growth in the future. In light of this, governments are compelled to create enabling environments through various reforms that will foster and promote innovation and more specifically, entrepreneurship as well as social entrepreneurship. While conventional entrepreneurship has the power to transform society and create job opportunities for different segments of the population, harnessing social entrepreneurship could be considered to be a better driver of regeneration and employment, especially in an emerging economy like South Africa (Herrington, Kew & Kew, 2014; Bosma & Harding, 2007).

Policy makers, academics and governments across the world have recognised that entrepreneurs and the small businesses they establish are critical for the advancement and upliftment of their communities. Increasingly, there is an acceptance and appreciation of small businesses (Herrington et al., 2014).

Efforts are being made to create an understanding and appreciation of entrepreneurship, including guiding and developing future entrepreneurs. The working-age population are particularly important in society and if equipped with the requisite skills and knowledge, they can play a pivotal role in societal development. Individuals engaged in entrepreneurship create financial independence, self-confidence, reduce the burden of the state in providing for the unemployed and improve the overall standard of society, thereby ensuring a more politically stable environment (Fatoki & Chindoga, 2011).
Much of the growth in the business sector as well as rapid development in the social arena can be attributed to entrepreneurship (Austin, Stevenson & Wei-Skillern, 2006).

Entrepreneurship with a social purpose has steadily been increasing and the combination of social and economic goals is a major driving force in transforming and developing South Africa (Austin et al., 2006; Littlewood & Holt, 2015). Social entrepreneurship as a phenomenon is not novel; thus, over the last decade it has attracted much attention, economically, socially and culturally. Moreover, it has emerged as an academic enquiry (Pless, 2012) after years of being marginalised on the borders of the non-profit sector (Urban, 2008). Universities and business schools across the globe are offering degrees and courses on social entrepreneurship and programmes on social enterprise (Kulothungan, 2009).

Social entrepreneurship is difficult to define, especially as any definition can depend on the context within which the term is being used. Nevertheless, more knowledge is emerging that examines the way in which social entrepreneurship emanates from various perspectives (Kulothungan, 2009). There is little academic understanding of what social entrepreneurs do and despite focus on individual traits and characteristics in entrepreneurship, advancement in understanding social entrepreneurship is taking place mostly through case studies of successful social entrepreneurs, which are researched and documented (Mair & Noboa, 2003; Light, 2005).

Social entrepreneurship provides innovative solutions to solve some of the most severe social challenges faced by the world. It is a response to meet humanity’s most basic needs, by applying traditional business models (Ayob, Yap, Rashid, Sapuan & Zabid, 2013). The central driver for social entrepreneurship is not to enhance profits but to create systemic change through real value add (Austin et al., 2006). It is against this background that there is a real and urgent need for higher education institutes to prepare students sufficiently to change the world around them by trying to eliminate poverty, unemployment and other such social ills that plague communities (Ayob et al., 2013).

According to Kerryn Krige of the Gordon Institute of Business Science (2015) ‘social entrepreneurship offers a potential shift in society and a unique way of addressing
challenges’. It creates a focus of sustainability and accountability and makes use of lessons learned in business, with the diversity and complexity of social values, which create opportunities for change.

Identifying and harnessing potential young social entrepreneurs becomes critical in view of the situation in which many countries, especially developing countries such as South Africa find themselves today, socially and financially.

To many, South Africa offers a bleak picture for social development for youth (Steenkamp, Van der Merwe & Athayde, 2011). It is critical that levels of social entrepreneurship activity be increased through improving the quantity and quality of potential social entrepreneurs and this can only happen if the amount of entrepreneurial thinking is increased. Universities and education institutions in South Africa should develop and promote social entrepreneurship to support the National Development Plan (NDP), the purpose of which is to reduce significantly the unemployment levels in the country by 2020 (Valodia, 2013). A study by Viviers, Venter and Solomon (2012) concluded that students enrolled in social sciences were more likely to pursue social enterprises. The GEM reports consistently link education and training to entrepreneurial activity but the lack of these inhibits entrepreneurship. It can be assumed that education is a critical factor if social entrepreneurship activity in South Africa is to increase.

In addition to creating change agents, students with Social Entrepreneurial Intent (SEI) are also appropriate applicants for jobs with organisations that wish to become more socially responsible (Ayob et al., 2013). How social entrepreneurship is perceived in society influences the level of social entrepreneurial activity. An important point of departure to understand the enabling factors that motivate or impede social entrepreneurship (Ernst, 2011).

Little research exists in the area of the underlying motivations of social entrepreneurship; however, various papers propose and unpack antecedents to social entrepreneurial intention. For example, Mair and Noboa (2003) suggest that social entrepreneurship is distinct from commercial entrepreneurship. Also, intentions are an important indicator of entrepreneurial behaviour. Mair and Noboa (2003) further developed a model to show the way in which intentions to start social ventures are founded. These authors focus on individual-based differences but do
not discount the significance of situational factors in predicting behavioural intentions. Their model draws on Ajzen’s (1991) Theory of Planned Behaviour (TPB), suggesting that intentions are a prerequisite for targeted behaviour (Garba, Kabir & Nolado, 2014).

Ayob et al. (2013) proposed a conceptual framework adapted from previous models by Shapero (1982) and Krueger & Brazeal (1994). The authors included empathy and social exposure as antecedents to perceived feasibility and perceived desirability that influence social entrepreneurial intention.

This paper will attempt to determine levels of social entrepreneurial intent among students in South African universities, by making use of the conceptual model by Ayob et al. (2013) adapted with the inclusion of another antecedent: exposure to social businesses.

1.1. Purpose of the study

This study investigates the antecedents of perceived feasibility and desirability, empathy, exposure and self-efficacy, and whether these in turn directly influence a student’s intention to establish social ventures.

This paper also seeks to contribute to a gap in literature with regard to social EI, by testing a proposed model that draws on previous intention-based models.

Identifying and harnessing potential social entrepreneurs can ultimately contribute to the sustainable and economic development of a country (Ayob et al., 2013).

1.2. Context of the study

South Africa, after more than twenty years of democracy, still faces unprecedented challenges of poverty, inequality and high unemployment, even though the governing party, the African National Congress (ANC) committed to transforming the country (Littlewood & Holt, 2015).

Previously, the Apartheid regime prohibited black people in South Africa, particularly black youth, from participating in and contributing to the economy; naturally,
intolerable socio-economic discrepancies developed (Gwija, Eresia-Eke & Iwu, 2014). Under the Apartheid regime, separate education systems were instituted for various ethnic groups while institutions and schools were segregated along racial lines. After 1994 South Africa has been transformed into one non-discriminatory system (Lomofsky & Lazarus, 2001).

After the 1994 transition to a democracy, attempts have been made to redress the wrongs of the past and change the political, economic and social landscape. Previously disadvantaged people (including black, Indian, people with disabilities, occasionally women and coloured people) have been on the critical agenda for development. Legislation and various policy initiatives have been put forward to accelerate this development, but the amount of improvement in this area is debatable (Littlewood & Holt, 2015).

The Reconstruction and Development Programme (1994) and more recently the National Development Plan (NDP) (2011), provide a long-term vision founded on two basic principles; to eliminate poverty and reduce inequality. The NDP highlights achievements and advances that South Africa has made since the end of Apartheid, but it also sets out serious challenges that have still not been adequately addressed. Some of the primary challenges that form the basis of the NDP are poor quality education, unemployment, poor infrastructure and an inadequate health system (National Planning Commission, 2012). South Africa remains a very unequal society. To put this into perspective, the country’s Gini index is 63.4 (World Bank, 2015), one of the highest levels of inequality in the world. While some progress has been made towards the NDP goal of eliminating poverty, approximately 16,3 million people are still living below the poverty line (Statistics SA, 2015).

The high and long-term unemployment rate in South Africa is of particular concern, especially for the youth. Young people have been and continue to be adversely affected by unemployment and a lack of skills, together with inadequate or no education. In the absence of legal employment or formal education, people are compelled to find innovative ways to sustain a livelihood (Herrington et al., 2014). Many are forced into informal employment such as engaging in family businesses or small enterprises. Very few are able to move from where they are into a higher earnings bracket or into formal employment (Herrington et al., 2014).
The increasing number of unemployed and unemployable youth is becoming more onerous for government and placing pressure on an already limited budget with several demands (Herrington et al., 2014). It is well known that the proportion of South Africa’s national budget spent on education is one of the highest of all countries yet it has the ‘third highest unemployment rate in the world’ (Department of Basic Education, 2011, p. 1). Unemployment is a major socio-economic challenge that many developing countries face. Unemployment has a ripple effect on other socio-economic issues such as poverty, crime, violence, drug abuse and societal stability (Department of Basic Education, 2011).

According to the 2014 Global Entrepreneurship Monitor (GEM) report, South Africa exhibits a low level of entrepreneurial activity in comparison to other countries in sub-Saharan Africa (Gwija et al., 2014). The report also recorded South Africa as having the lowest entrepreneurial propensity at only 23% as well as the lowest youth entrepreneurship participation of 12.3% (Singer, Amoros & Moska, 2014).

The South African Government has failed significantly in trying to meet some of the most basic needs of its citizens. The increase in public protests and social unrest in the country are evidence of unsatisfied individuals hoping to galvanise the government to perform better and deliver on promises of solving the unacceptable levels of unemployment and poverty (Lancaster, 2016). Social entrepreneurship can be crucial in filling this gap. Universities can play a pivotal role in assisting budding social entrepreneurs in the promotion of social movements, organisations and mobilising resources (Lekhanya, 2015). Pursuing a career in entrepreneurship not only offers financial independence but also contributes significantly to economic development and growth through the creation of jobs and innovation.

1.3. Problem statement

1.3.1 Main problem

As outlined above, little research has been done on social entrepreneurial intent, especially in South Africa. This country faces many socio-economic challenges and lends itself naturally to social entrepreneurship. It needs a new generation of social
entrepreneurs and innovative approaches towards solving some of the country’s most challenging social problems. Identifying, developing and assisting potential social entrepreneurs should be on the government’s critical agenda. Shapero (1982) argued that one of the solutions to development is a supply of entrepreneurs who will seize opportunities that they find personally attractive. A starting point in finding and understanding potential social entrepreneurs in South Africa is to examine the first step of the entrepreneurial process: their intentions. This then provides the basis for this study:

*Identifying Social Entrepreneurial Intent among students in South African Universities.*

### 1.4. Significance of the study

South Africa is facing unprecedented economic and social challenges. Institutions and existing markets have failed to meet existing social needs, satisfactorily. Social entrepreneurs can create remarkable value when basic human needs are met (Seelos & Mair, 2004). With a population of roughly 52 million people in South Africa, (Statistics SA, 2015), there must surely be at least one million potential social entrepreneurs who have the capacity and desire to make sustainable change and add value. However, they are probably not engaged in any initiatives and also do not think that they can play a more significant role in society (Thompson, 2002). It is accepted that small businesses remain the backbone of South Africa’s current and future employment. However, efforts by government and the private sector to encourage and stimulate this sector have not been as successful as in other emerging economies such as China, Brazil, India, Malaysia, Mexico and Russia (GEM, 2012; Department of Basic Education, 2011). Littlewood and Holt (2015) argue that businesses are critical in the transformation and development of South Africa through various ways including social ventures that combine economic development and social objectives. However, the creation of new ventures begins with intentions, which are critical to understanding the entrepreneurial process (Bird, 1988; Krueger, 1993). A model was developed by Mair and Noboa (2003) to gain a better understanding of the process of intention formation in social entrepreneurship.
and their model draws on existing intention studies in the traditional field of entrepreneurship.

Although the level of academic enquiry into social entrepreneurship in South Africa is increasing (Littlewood & Holt, 2015), relatively little research has actually been done. As Mair and Noboa (2003) argue, understanding the antecedents to the creation of a social venture is a good starting point. Ayob et al. (2013) developed a framework from existing intention-based models to establish social entrepreneurial intent (SEI) among business undergraduates from an emerging economy perspective: their study was conducted in Malaysia. The same model was applied to identify the intentions of students in creating social ventures or enterprises within the South African context. In general, little research has been conducted on social entrepreneurial intentions especially in South Africa and this model in particular has not previously been applied. An investigation into SEI in South Africa revealed that the following previous studies have taken place:

- Urban & Teise (2015) examined the antecedents to SEI. This study was one of the first empirical investigations aimed at identifying antecedents aligned to SEI in South Africa and was based on 249 respondents. The results reflected that empathy, self-efficacy and achievement had a positive correlation towards intentions.

- Viviers, Venter & Solomon (2012) conducted a study focusing on the intentions of South African students in establishing social enterprises. The study was conducted as part of the ‘2011 Global University Entrepreneurial Spirit Students’ Survey.’

This study could form the basis for further research in South Africa insocial entrepreneurship, and the development of potential social entrepreneurs at university level, by identifying more focused and practical training courses.

1.5 Delimitations of the study

The target group for this study are students from South African universities who are either in the process of obtaining a graduate or a post-graduate degree or
qualification. As the focus is particularly on youth, people who are working or who run or manage businesses have specifically been excluded from this study.

1.6 Definition of terms

Social entrepreneurship (SE) - According to Mair and Noboa (2003), social entrepreneurship is the “innovative use of resource combinations to pursue opportunities aiming at the creation of organizations and/or practices that yield sustainable social benefits.”

Social entrepreneurial intention (SEI) - The intention of pursuing SE and establishing a social venture (Krueger, 1993).

Empathy – is the “ability to intellectually recognise and emotionally share the emotions or feelings of others.” (Mair & Noboa, 2003)

Self-efficacy – Bandura (1999) defines self-efficacy as the ability to arrange and execute courses of action to reach a desired type of performance.

Exposure – Basu and Virick (2008) categorise exposure into education, family and direct experience, all of which influence the formation of entrepreneurial intention.

Perceived feasibility – indicates the extent to which people believe they have the capability to start a new venture (Mair & Noboa, 2003).

Perceived desirability – relates to how appealing it is to an individual to generate an entrepreneurial event such as starting a venture (Mair & Noboa, 2003).

1.7 Assumptions

For the purpose of the study it was assumed that:

(a) The respondents answering the questions were actually university students.

(b) The respondents participated willingly and honestly in the study.

(c) A sufficient number of respondents would complete the survey in order to allow for an adequate assessment of the intentions of the students; however
no attempt would be made to provide a generalisation of the entire working-age population in South Africa

(d) Most respondents should have an understanding of some of the concepts; for example, social entrepreneurship.

(e) Respondents might not be familiar with some concepts; for example, perceptions of desirability or feasibility to start a social enterprise.

1.8 Conclusion

To summarise: this study intends to identify the potentiality of social entrepreneurs (SE) by examining the antecedents of social entrepreneurial intent (SEI) and finding whether these lead to social venture creation. The following chapter provides a detailed understanding of entrepreneurship with a focus on intentions. The idea of SE is examined and the model applicable to this study is outlined, examining the antecedents to SEI. The third chapter outlines the research methodology and gives an overview of the pilot study; by using Structural Equation Modelling, the hypothesised relationships are tested. The results of the study are presented in chapter 4 and a discussion of the results follows in chapter 5. A summary of the main results is given in chapter 6 followed by the implications, suggestions and limitations outlined in chapter 6.
CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

The notion of social entrepreneurship (SE) is still in its early stages and much of its literature has been drawn from the traditional field of entrepreneurship. While there is a large amount of literature on entrepreneurial intentions (EI), social EI is relatively under-researched, particularly in the South African context. An understanding of the antecedents to social entrepreneurial intent (SEI) is important because intentions are planned and purposive behaviour and the extent of purpose is even more prominent in SE. A review of general entrepreneurship as well as literature pertinent to intentions and intention-based models will be outlined in this chapter. The chapter then examines SE literature with an emphasis on the antecedents of SEI.

2.2. Entrepreneurship – background and definitions

2.2.1 Entrepreneurship

In principal, there are three main elements that characterise entrepreneurship and SE alike; opportunities, enterprising individuals and resourcefulness.

Entrepreneurship as a phenomenon was first conceptualised many hundreds of years ago. However, more recent theories have focused on economic value, the nature of the entrepreneur and the entrepreneurship process (Austin et al., 2006).

Kao (1993, p.1) defines entrepreneurship as “the process of adding something new [creativity] and something different [innovation] for the purpose of creating wealth for the individual and adding value to society.” Kao’s (1993) definition is useful in explaining why social entrepreneurs, with a commitment to making a difference in society, can be found in various sectors, from non-profit, social enterprises operating as businesses to the profit space (Thompson, 2002). It was, Venkataraman (1997)
who concluded that that entrepreneurship is a combination of rewarding opportunities and enterprising individuals.

The French economist, Jean-Baptiste Say, described an entrepreneur as someone with the ability to yield a greater value by moving economic resources from a low productivity area to a higher one (Martin & Osberg, 2007). Almost a century later, Joseph Schumpeter, the Austrian economist, further developed the idea of value creation which is arguably the single most significant aspect of entrepreneurship (Martin & Osberg, 2007). He identified a certain characteristic within an entrepreneur required to drive economic progress, without which economies would stagnate and eventually decay. Schumpeter considered the entrepreneur to be a change agent with the ability to identify commercial opportunities and organise ventures through which products or services can be sold. He argues that entrepreneurs innovate to the point of “creative destruction,” ultimately rendering existing products or services obsolete (Martin & Osberg, 2007).

Entrepreneurship and SE are multidimensional processes sharing common features which include a combination of personal traits and characteristics required to identify and pursue opportunities, a context, resourcefulness and ultimately the outcome of value creation (Martin & Osberg, 2007).

2.2.2 Understanding social entrepreneurship

Social entrepreneurship is still emerging as a field of research, and is therefore fairly new to academia (Austin et al., 2006). Social entrepreneurship is gaining popularity as a topic of research and has only recently started attracting money, talent, interest and attention from researchers in developing and developed countries (Lepoutre, Justo & Terjesen, 2011) and within various sectors, including social, healthcare and education. Consequently, an array of activities are being described as SE. However, who the social entrepreneur is, and what he or she does, is less apparent (Dees, 2005; Martin & Osberg, 2007).

Despite the growing popularity of this field of research, with a focus on case studies and successful social entrepreneurs, progress on establishing the field as an institutional legitimacy (Lepoutre et al., 2011) has been hampered. There is
uncertainty concerning the concept of SE; for example, what exactly is it, what are social entrepreneurs and what do they do? (Martin & Osberg, 2007). With the study of SE being in its infancy, the field faces definitional challenges (Roberts & Woods, 2005). People understand SE in different ways and the words used to define the concept depend on the researchers’ disciplines and backgrounds. The interpretation of SE may vary across the globe, in terms of who social entrepreneurs are, their goals and their understanding of SE. The exercise of defining the construct is important because it establishes and clarifies boundaries and distinctions and creates meaning (Roberts & Woods, 2005).

Any understanding of SE requires an in-depth look at the multidimensional construct of its origin: entrepreneurship.

2.2.3 Defining social entrepreneurship

Mair and Noboa (2003) define SE as the “innovative use of resource combinations to pursue opportunities aiming at the creation of organizations and / or practices that yield sustainable social benefits.”

Dees (1998) describe the concept of SE as a blend of innovation and passion to pursue a social mission within the business sphere. Innovation and opportunity have traditionally been associated with the concept of commercial entrepreneurship and the generation of economic value but gradually scholars are recognising that these are not solely the domain of traditional entrepreneurs (Mair & Noboa, 2003).

The literature indicates that no clear conceptual definition of SE exists. Indeed, a definition of SE today is anything but clear (Martin & Osberg, 2007).

Social entrepreneurship and social entrepreneurs have existed throughout the ages. In his book, Bornstein (2004, p.3) suggests that St Francis of Assisi, who founded and established the Franciscan Order, would qualify as a social entrepreneur. Social entrepreneurs are responsible for the establishment of many institutions which, Dees (1998) argues, we take for granted today. Thompson (2002) describes SE as being the foundation of Victorian private hospitals. The difference today is that SE is a vocation and mainstream discipline of inquiry and research, which is not limited to
the sophisticated western world and which is increasingly seen in the developing countries. Bornstein acknowledges that the rise of SE is a global phenomenon and the result of the “emergence of hundreds of recent citizen organisations” (Bornstein, 2004, p. 4).

The growth of new citizen organisations stems from the failure of non-governmental organisations and existing institutions in the public sector to deliver services and satisfy the basic needs of poor people, especially in developing countries (Seelos & Mair, 2004). These citizen organisations are growing in popularity because they are seemingly more appealing to socially-aware individuals who are sceptical of the public sector’s ability to address pressing social problems (Dacin, Dacin & Tracey, 2011).

However, Cook, Dodds and Mitchell (2003) argue that the social entrepreneurship movement (SEM) is grounded on false propositions and that it cannot practically or realistically solve the social challenges of the world; this is because of a lack of understanding of the magnitude of the problems. These authors contend that one of the false premises of the SEM is its failure to recognise unemployment on a grand scale in macroeconomic terms and recognise that the number of new jobs that need to be created, far exceeds the capabilities of small local structures.

Fowler (2000) unpacks social entrepreneurship into three layers: a) profit seeking activities that produce social benefits; b) re-analysis of the non-profit organisation by way of diversification; and c) non-profit organisations looking to generate revenue in order to fulfil their social mission more effectively. At its most basic, SE is using resources efficiently and sustainably while combining these to create models that deliver social value (Seelos & Mair, 2004).

According to the literature, the emphasis in definitions of SE is on four key elements: the personal traits of the social entrepreneur; the context in which social entrepreneurs operate; the processes and resources they use and lastly, the mission of the social entrepreneur (Dacin et al., 2011).

Dacin et al. (2011) argue that any attempt to define SE by using characteristics and processes is open to debate and can never really be resolved. These authors argue that it is unlikely that definitive and recognisable features can be identified, and then
shown to apply to all types of social entrepreneurs in all contexts. They believe however, that a mission-focused definition of practical approaches to solving problems with social value creation has some merit in the field of SE.

The term ‘social entrepreneurship’ embraces a broad range of activities involving innovative individuals with a relentless passion to make a difference and pursue their vision (Bornstein, 2004). These individuals create business ventures with a social purpose seeking to generate profit and they cause philanthropic organisations to reinvent themselves with practical business principals. The large number of definitions used to describe SE reflect the fact that the field is emerging. The differences in wording and emphasis of the various definitions all reflect the multi-disciplinary nature of the concept (Mair, Robinson & Hockerts, 2006).
Table 1: Selected definitions of social entrepreneurship concepts

<table>
<thead>
<tr>
<th>Author/s</th>
<th>Ch.</th>
<th>Title</th>
<th>Definition</th>
</tr>
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<tbody>
<tr>
<td>Mair/Noboa</td>
<td>8</td>
<td>Social entrepreneurship: How intentions to create a social venture are formed</td>
<td>&quot;...we define social entrepreneurship as the innovative use of resource combinations to pursue opportunities aiming at the creation of organizations and/or practices that yield sustainable social benefits.&quot;</td>
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<td>Hockerts</td>
<td>10</td>
<td>Entrepreneurial opportunity in social purpose business ventures</td>
<td>Social purpose business ventures are hybrid enterprises straddling the boundary between the for-profit business world and social mission-driven and non-profit organizations. Thus they do not fit completely in either sphere.</td>
</tr>
<tr>
<td>Desa/Kotha</td>
<td>11</td>
<td>Ownership, mission and environment: An exploratory analysis into the evolution of a technology social ventures</td>
<td>TSY (technology social ventures) develop and deploy technology-driven solutions to address social needs in a financially sustainable manner. TSY address the twin cornerstones of social entrepreneurship—ownership (financial return) and mission (social impact using advanced technology)</td>
</tr>
<tr>
<td>Haugh</td>
<td>12</td>
<td>Social enterprise: beyond economic outcomes and individual returns</td>
<td>Social enterprise is a collective term for a range of organizations that trade for a social purpose. They adopt one of a variety of different legal forms but have in common the principles of pursuing business-led solutions to achieve social aims, and the reinvestment of surplus for community benefit. Their objectives focus on socially desired, nonfinancial goals and their outcomes are the nonfinancial measures of the impelled demand for and supply of services.</td>
</tr>
<tr>
<td>Clifford/Dixon</td>
<td>14</td>
<td>Green-Works: A model for combining social and ecological entrepreneurship</td>
<td>&quot;...the term &quot;ecopreneur&quot;... (defines) an ecopreneurial organization as one that is a &quot;system-transfoming, socially committed...break-through venture&quot;, a definition that seems to encompass both ecological and social enterprise. However (this term) draws the focus too narrowly upon the environmental aspects, and we therefore apply the term &quot;social ecopreneur&quot; to encompass the triple drivers of these organizations: environmental, social and economic, the latter being inherent in the concept of entrepreneurship.</td>
</tr>
<tr>
<td>Seelos/Garly/Mair</td>
<td>15</td>
<td>Social entrepreneurs directly contribute to global development</td>
<td>The Schwab Foundation (source of the study population) defines a social entrepreneur as someone who (among other things): identifies and applies practical solutions to social problems, innovates by finding a new product, service or approach, focuses on social value creation, resists being trapped by the constraints of ideology or discipline, and has a vision, but also a well-thought-out roadmap as to how to attain the goal.</td>
</tr>
</tbody>
</table>

Source: Mair, Robinson and Hockerts, 2006 (pp. 4-5)
2.2.4 The difference between entrepreneurship and social entrepreneurship

Austin et al. (2006) separate commercial from social entrepreneurship. The increase in the number of non-profit organisations and the number of entrepreneurshipships with social missions or purposes explains to some extent the rise in the prevalence of SE over the last decade. This recent exponential growth (Pless, 2012) suggests that a comparison between commercial and social entrepreneurship is appropriate. Austin et al. apply four constructs to distinguish between the two.

1. **Market failure.** The theory of the emergence of organisations that create social value is based on the assumption of a market failure; for example where existing institutions have not been successful in meeting a social need, partly because most people requiring the services cannot afford them. Market failures will create different opportunities for different entrepreneurs (Austin et al., 2006).

2. **Mission.** In SE, the mission is to create social value that will benefit the public good. In contrast, the mission of traditional entrepreneurship is to seek profit and personal gain. Commercial entrepreneurs may create social change and benefit society through employment creation and providing new goods and innovative ways of delivering services. Thus, the mission is the ultimate differentiator between commercial entrepreneurship and SE (Austin et al., 2006). Mair and Noboa (2003) argue that social entrepreneurs are inspired in different ways and that the outcomes of their ventures seek to yield social and economic benefits.

3. **Resource mobilisation.** Social entrepreneurs do not necessarily have the same access to capital markets as commercial entrepreneurs. Social entrepreneurs are restricted to distributing surpluses generated by the non-profit organisation. From a financial point of view, compensating employees for their work in a non-profit organisation is more challenging than in commercial ones. Austin et al. (2006)
propose that the two types of entrepreneurship can be distinguished in terms of their ways of managing individuals and economic resources.

4. **Performance measurement.** Measuring the performance of a social enterprise is a complicated task. Commercial entrepreneurs rely on measurable indicators such as financial results, market share and satisfied consumers. The nature of social entrepreneurship is multidimensional, non-quantifiable and includes a combination of complex and varied relationships that need to be managed by social entrepreneurs. The authors propose that being able to measure social impact will remain a fundamental differentiator between the two types of entrepreneurship (Austin et al., 2006).

Social entrepreneurship is characterised by these four elements but one of these, the social mission can be regarded as the most important; this is carried out through various legal forms. It has to reflect economic realities but at the same time, economic activity ought to generate social value (Austin et al., 2006).

### 2.2.5 The difference between social entrepreneurs and entrepreneurs

LaBarre, Fishman, Hammonds and Warner (2001) pointed out that social entrepreneurs are “ordinary people doing extraordinary things,” yet little is known about them (Prabhu, 1999). In his book, Bornstein (2004) labels social entrepreneurs as transformative forces: people who are unyielding in their vision. He describes them as restless people who have great ideas with a profound effect on society.

To some, social entrepreneurs are business owners who integrate a social mission into their business strategy; to others they are the founders of non-profit organisations or they are the driving forces behind non-profit organisations establishing profit ventures (Dees, 1998). Although social entrepreneurs and entrepreneurs have qualities in common, certain characteristics distinguish
Social entrepreneurs from entrepreneurs. The basic reason for being a social entrepreneur is to deliver social value and make a difference. Venkataraman (1997) suggests that all entrepreneurship delivers social value but for entrepreneurs this is a secondary outcome or by-product. Entrepreneurs create jobs, contribute to the economy through paying taxes and creating new markets, products and services. They are driven by economic value creation. In contrast, social entrepreneurs identify opportunities to make a difference and a positive social impact on society at large, often under adverse conditions (Dees, 2005). Leadbeater (1997) describes social entrepreneurs as follows:

*People who can:*

- identify opportunities which they specifically understand;
- be creative [and] practical in their approach to solving the problem;
- build social capital and strong networks;
- find and acquire necessary resources;
- establish systems to manage the operation; and
- overcome challenges and manage inherent risk.

Social entrepreneurs listen to and respond to the needs of a community and many of their ventures and ideas are effective when their initiatives link directly to people’s needs. Thompson (2002) argues that this is not an indication that public services ignore or do not respond to the needs of a community at any level; rather it shows that social entrepreneurs are often closer to the problems and are in a better position to listen and respond accordingly. Social entrepreneurs often serve large markets with limited resources and as such have to be especially innovative (Bornstein, 2004).

**2.2.6 Heroic characterisations**

Dacin et al. (2011) contend that throughout the literature on social entrepreneurship, much attention is paid to individual social entrepreneurs, often characterising them as heroes. These authors suggest that this perception is problematic and underlines three biases evident in the literature: learning from failure, a focus on the individual and the mission of the individuals.
Light (2006) maintains that the emphasis on the success stories of individuals inhibits lessons from being learnt on entrepreneurial failure. It further overlooks the entrepreneurial activities of non-governmental organisations, collectives or teams of stakeholders.

Dacin et al. (2011) explain that there is an idealistic assumption that heroic social entrepreneurs are the solution to some of the greatest problems in the world today. Bornstein (2004) concludes that everyone has the ability “to change the world.” A further assumption made by Roberts and Woods (2005) is that social entrepreneurs are more often than not altruistic in their pursuits (Dacin et al., 2011). Social entrepreneurs often place social values over economic ones, but at the same time try to pursue both social change and maximise economic value. By doing so they may intentionally or unintentionally destroy social goods. Muhammed Yunus publicly criticised organisations operating in the microfinance area who market and pursue economic value creation over social value creation (Dacin et al., 2011).

2.3. Social entrepreneurship in South Africa

As a developing country with many problems facing it, the South African landscape is ripe with opportunities for social entrepreneurs. Jafta (2013) of the Department of Economics at Stellenbosch University explains that the development challenges facing South Africa go further than just economics. The country has one of the highest levels of inequality in the world and SE is an answer to such problems and can address lack of cohesion.

In its 2009 report, GEM paid attention to SE with the purpose of investigating the extent of entrepreneurship with a social mission (Herrington, Kew & Kew, 2010). Lepoutre et al. (2011) argue that establishing a universal measurement of SE is critical for various reasons and especially because there is a general lack of common understanding of it; therefore, gaining insight into the extent of SE in South Africa is somewhat challenging. No relevant data are available although various theories have been proposed to test proposed hypotheses. Lepoutre et al. (2011) put forward the view that if SE, by definition, addresses social ills that the public sector cannot tackle adequately, then a higher degree
of SE should technically exist in countries facing severe social problems, with low state and civil society involvement. The reality, however is that individuals living in developing countries facing such challenges are more likely to lean towards survival. Bosma and Levie (2010) acknowledge this is indicative of necessity entrepreneurship and as a result, actual levels of SE are low in those countries.

In 2009, GEM made the first global comparison of SE with a sample of 49 countries including South Africa. The nature and extent of entrepreneurship with a social mission was investigated in the survey. Lepoutre et al. (2011) acknowledged that the questions asked in this survey were phrased broadly, which allowed GEM to identify individuals establishing organisations with the intention of solving social issues (Herrington et al., 2010).

Social Entrepreneurial Activity (SEA) could be described as the social equivalent of Total Entrepreneurial Activity (TEA). Data in the 2009 GEM report revealed that the average SEA, for the 49 countries surveyed, was 1.8%; the range was between 0.1% and 4.3%. South Africa’s SEA was 1.8%, roughly halfway relative to efficiency driven economies (Terjesen, Lepoutre, Justo & Bosma, 2012).

The SEA rate increases somewhat in developed economies, possibly because individuals turn to others when their own needs have been met. The low levels of SEA in South Africa can be attributed to high opportunity costs involved in engaging in SE. South Africa displayed a low 1.3% of nascent social entrepreneurial activity, similar to that of Brazil and China. Uganda displayed higher levels of total early-stage SEA than South Africa. No real difference in gender was found when analysing the SEA data for South Africa.

Urban (2008) makes the point that those students in South Africa who engaged in social activity centred their efforts on religious activities, sport and education. Viviers et al. (2012) argue that in addition to the usual barriers that entrepreneurs face in starting their own ventures, entrepreneurs in South Africa face the major barrier of trying to address challenges of such scale.
2.3.1 The rise of social entrepreneurs in South Africa

The study conducted in 2009 by GEM indicated that at that time South Africa had a very low SE activity rate; since then, however, an increasing number of individuals are displaying enterprising skills and innovative ways of addressing serious challenges faced by the country.

Often as a consequence of direct experience and their surroundings, social entrepreneurs are compelled to make a difference in the lives of others. In South Africa, the government under the Apartheid regime did little to provide education, infrastructure and healthcare to black people living in cheaply designed townships. High population density, high unemployment rates and low education levels across the country have “proven to be ideal fuel” for a series of problems in the country, but more specifically for the immense problem of the high prevalence of AIDS (Bornstein, 2004, p.190).

In order to show that SE and social entrepreneurs are not new concepts, Bornstein (2004) interviewed a nurse from Mamelodi, Pretoria who had been working directly with many AIDS patients at a time when the subject was taboo. That nurse, Veronica Khosa, could not continue doing nothing to help black people, in particular, who were in fear of the dreaded disease but did not understand anything about it. Through her own efforts, in the early 1990s, she cared for the chronically ill who were neglected by family members. She found that hospitals and clinics could not meet the demand for information and care. Through years of nursing, she trained people to take care of their family members and provided skills to young people in caring for the sick. After perseverance, much dedication and unwillingness to watch people around her die, she quit her job, used her savings and opened a home care services centre, Tateni which still operates today. In 1997, the home was selected, from 48 countries, as one of the best practices of home-based AIDS care in the community. Later, pilot care projects were extended across the country and the programme had ultimately reached thousands of youths.
Another example which is relevant to the target population of this study is Pip Whaeton, founder of Enke. That organisation works with young people aged between 18 and 30 and is founded on three principles: connect, equip and inspire. The approach ensures that youth understand that other people’s problems are their responsibility too. Through encouraging empathy, the organisation works to connect youth from various cultural and socio-economic backgrounds. They have successfully connected with over 980 young people, who have in turn impacted more than 11 000 youth since inception (Ashoka, 2014).

Entrepreneurs and social entrepreneurs are both considered to be change agents who make things happen purposively through their own actions. The whole entrepreneurship process develops as a result of motivated individuals seeking to pursue opportunities. Venter, Urban and Rwigema (2008) confirm that the creation of ventures is not random but rather the consequence of an individual’s intentions and behaviour.

2.4. Entrepreneurial intentions

As in the case of other emerging fields of enquiry, research into entrepreneurship has been biased quite extensively towards descriptive research, with a focus on practical considerations, as opposed to theoretical ones. As a result, there has been a plea to identify research projects that allow for theoretical underpinnings in entrepreneurship, and from a prospective approach, rather than examining findings in retrospect (Krueger, 2003). That writer (2003, p.106) confirms that there has been a shift in the focus of study away from ‘budding’ entrepreneurs to EI. Likewise, focus on “opportunity recognition” has shifted towards empirical findings through the use of theory. Also, earlier research focused more specifically on psychological traits but such attempts to identify profiles proved to be limiting because they failed to provide answers to what ultimately led to the creation of new firms (Davidsson, 1995).

Krueger et al. (2000) recognise that intentions are interesting for individuals who are concerned about new firm creation. Entrepreneurship is considered a state of mind that favours opportunities over threats while recognising that
opportunities are regarded as an intentional process and thus EI warrants attention. The authors make the point that establishing a new business is not a random act, but rather a considered and conscious decision based on one’s environment.

In order to understand the creation of new firms, the process leading up to the creation needs to be understood “from a cognition perspective.” This requires a deeper understanding of the intent to make the first move in entrepreneurial activity (Krueger 2003, p.115). In the field of psychology, a good understanding of intentions has provided a good basis for promoting a better understanding of behaviour (Krueger, 2003).

Much effort has been made in academic studies of entrepreneurship to explain new firm formation, resulting in, significant contributions have been made towards understanding the early stages of the entrepreneurial process (Schlaegel & Koenig, 2013). It is important to investigate EI and look at why some people pursue entrepreneurial behaviour and others do not (Van Gelderen, 2006); this is because over the last few decades, the larger firms in the Western countries have shown that they cannot create the mass employment needed, because of political and socio-economic climates (Davidsson, 1995; Van Gelderen, 2006). It is for this reason that there has been a drive to promote entrepreneurship and small business because they have the potential to create jobs and propel economic growth. This reality has sparked academic interest in the field of entrepreneurship and more specifically, new venture creation (Davidsson, 1995).

Studying EI has enormous benefits that arise from comparing entrepreneurs to non-entrepreneurs. It is a big step to start a business and considerations that influence people to start firms can also be apparent in other psychologically related behaviour. This means that it is not possible for entrepreneurial behaviour to be accurately predicted using “distal variables” (Van Gelderen, 2006). The intention-based models provide theoretically tested and proven ways in which exogenous factors can influence entrepreneurial “attitudes, intentions and behaviour” (Krueger, Carsrud & Reilly, 2000, p. 316). The misconception of recognising determinants of entrepreneurial behaviour, such
as individual characteristics, can be avoided through the use of intention-based models. In terms of stimulating the creation of new firms, it is more useful to understand the types of individuals that do or do not consider starting a new firm, rather than learning about individual characteristics of those individuals who have already started their own business. Gaining an understanding of EI could provide useful information to help identify policy measures that could contribute towards turning potential entrepreneurs into actual business owners or founders (Van Gelderen, 2006).

One can presume that any decision to establish a new business would have been planned for a while and therefore would have been preceded by an intention to do so. In certain instances, an intention is only founded just before the decision but in other instances, the intention does not result in actual behaviour. EIs are presumed to predict, albeit poorly, an individual's propensity to establish his or her own ventures (Van Gelderen, 2006).

Bird (1988) suggests that intentions develop from an individual's personal needs, values, wants, habits and beliefs which all have their own specific antecedents.

Bird (1988) was one of the first authors to focus on the significance of intentions in entrepreneurship. Her model proposes that intentions originate rationally and intuitively, ultimately impacting on the individual's political, social and economic context and the individual's perceived past, capability and personality (Urban & Teise, 2015). Subsequent to research on EI by influential authors including Shapero (1975), Shapero and Sokol (1982) and Bird (1988), there has been a considerable increase in the number of studies with an emphasis on EI (Schlaegal & Koenig, 2013). Research has focused primarily on the determinants of EI through the use of various frameworks that explain how EI differs from one individual to another. During the 1980s and 1990s, six main models were developed to investigate EI (Guerrero, Rialp & Urbano, 2008). Of these, the two main models that dominate the literature are the TPB (Ajzen, 1991) and the model of Shapero (1982). These models reflect an important consideration insofar as the latest EI model was published in 1995 (Guerrero et al., 2008).
All the models provide a solid theoretical base and propose that if new venture creation is to be encouraged, then it is critical to increase perceptions of desirability and feasibility (Krueger et al., 2000). Schlaegel and Koenig (2014) argue that research has focused predominantly on direct relationships between determinants while intentions, antecedents, beliefs and attitudes are relatively underexplored.

Concerns have been raised regarding the large number of alternative intention models, leading to questionable findings on the relationship between EI and determinants (Schlaegel & Koenig, 2013). Shook, Priem and McGee (2003) argue that the field is divided and lacks precision and that future research should consider integrating challenging models and by doing so, reduce the number of alternative intention models (Schlaegel & Koenig, 2013).

Bird (1988) acknowledged that intentions form the basis for understanding the process for establishing a new venture. She notes that although inspiration results in entrepreneurial ideas to develop new products or services, it is crucial to apply attention and intention if the ideas are to manifest. She further acknowledges that although behaviour could be unintended and unconscious, the intended and conscious act of founding a firm is what is of interest (Bird, 1988). Krueger (1993) argued that the propensity to act, together with intention, are among the factors that are the driving forces behind new venture creation.

Krueger (2003) argues that the perception of opportunities combined with the intent to follow these up, result in entrepreneurial actions. Bird (1998) then explains that “intentionality is a state of mind,” either pointing an individual’s attention, experience and action in a specific direction or indicating a goal of gaining something. Intentions in entrepreneurship are oriented towards the establishment of an entirely new venture or instilling new values within existing organisations (Bird 1988). Guth and Tagiuri (1965) as cited in Bird (1988) found that the personal values of those in top management within existing organisations directly affect corporate strategy and that intuition is instrumental in practical planning and problem solving (Isenberg, 1984,). Hambrick and Mason (1984), as cited in the same article), found that the beliefs and perceptions of those in executive positions had a direct impact on the
organisations they lead. This finding led Bird (1988) to believe that the impact of one's intentions will have a greater influence on establishing a new organisation.

Intentions can be considered in two main areas of research: personal traits and/or individual characteristics of the entrepreneur and contextual factors (Linan, Urbano & Guerrero 2011). Entrepreneurial models have been developed following the latter approach to explain the phenomenon of EI. The Theory of Planned Behaviour (Ajzen, 1991) and the Entrepreneurial Event Model (Shapero, 1982) are the main theory driver models.

The literature on research in the field of psychology has indicated that intentions are the single best predictor of planned behaviour. This applies particularly in cases where it is often difficult to observe behaviour or where intangible variables are involved. Entrepreneurship is planned behaviour because new venture creation is carefully planned and emerges over time; as such, models are best suited. Intentions are useful in understanding new venture creation as they provide a robust framework for understanding and prediction (Krueger et al., 2000).

Krueger (1993) argues that intentions signify the extent of commitment towards imminent behaviour. He defines EI as a commitment to the creation of a new venture. Intentions centre around a future plan of action and without intention, any action is unlikely to happen. Intention precedes action.

### 2.4.1 Entrepreneurship as intentional, planned behaviour

Intention models help to promote a better understanding and prediction of entrepreneurial behaviour, specifically because situational and individual predictors are unreliable (Krueger et al., 2000). A person’s participation in entrepreneurial behaviour depends upon how favourably the person perceives the behaviour and how easy or difficult the behaviour might appear to be. There can also be a sense of social pressure to carry out that behaviour (Malebana & Swanepoel, 2015).
Advantages

Intentions are the ‘single best predictor of planned behaviour’, and although not perfect, are empirically the most reliable. This class of models is built on the premise that any other factors influencing intentions are regarded as antecedents of attitude which influences behaviour.

The models have proved to be robust and the meeting of minds is indicative of the soundness of the models. They serve as an influential cognitive framework.

The models are able to provide significant predictive explanations, not only in retrospect. This is due to intentions relying on situational and individual variables.

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
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<tr>
<td>Intentions are the ‘single best predictor of planned behaviour’, and although not perfect, are empirically the most reliable. This class of models is built on the premise that any other factors influencing intentions are regarded as antecedents of attitude which influences behaviour.</td>
<td>Over time, intentions can vary, presenting the opportunity to examine, further, changing intentions, which is a topic relatively underexplored in any field. This should be particularly beneficial in the field of entrepreneurship where the underpinnings of changing intentions could be explained.</td>
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<tr>
<td>The models have proved to be robust and the meeting of minds is indicative of the soundness of the models. They serve as an influential cognitive framework.</td>
<td>A debate exists over the ‘direction of causality’, especially since intention could be considered another attitude.</td>
</tr>
<tr>
<td>The models are able to provide significant predictive explanations, not only in retrospect. This is due to intentions relying on situational and individual variables.</td>
<td>Entrepreneurial decisions are not limited to the decision to establish a new venture: intentions could also relate to whether to grow the business or not and intent can vary in choice of distribution channels for example. This proposes that intentionality comes into effect well after the establishment, as well as before.</td>
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Two models that have been widely recognised in this area and which are dominant in the social psychology field are Ajzen’s Theory of Planned Behaviour and Shapero’s model of entrepreneurial events. Both these have been adopted to understand new venture creation (Ayob et al., 2013).

Krueger et al. (2000) explain that it is critical to understand intentions before moving on to examine antecedents to intentions, other outside influences and the final outcome of new venture creation. This understanding provides the basis for identifying the intended behaviour. Entrepreneurial activity is intentionally planned behaviour, despite some common perceptions to the contrary; therefore the use of well-established and validated intention models provide an excellent way of understanding the antecedents of new business creation (Krueger et al., 2000).
2.4.2 Shapero’s ‘Entrepreneurial Event’ Model (SEE)

Shapero’s (1982) Entrepreneurial Event Model is a relatively early model in entrepreneurship literature and is similar to that of the TPB. It depicts how intentions are dependent on the elements of perceived desirability, probability of acting and perceived feasibility (Urban & Teise, 2015). Krueger et al. (2000) acknowledge that the model is specific to entrepreneurship; also, intentions to establish a new venture originate from perceived desirability and feasibility and the propensity to pursue opportunities.

The actual ‘entrepreneurial event’ (behaviour) requires a prominent and reliable opportunity and this is dependent on two very important antecedents: perceived desirability and perceived feasibility. This approach preceded that of the TPB by a number of years. The fact that two separate scholars, working independently in different fields of study, converge on very similar models signifies the importance and value of intention models (Krueger, 2003).

In this model, decisions to pursue a new business centre around three factors: displacement and the perceptions of desirability and feasibility, which ultimately lead to intentions (Ayob et al., 2013).

Shapero (1982) regards displacement as the spark that causes behavioural change. Displacement can either be negative (lack of job satisfaction) or positive (being rewarded). A decision is made by an individual after assessing the opportunity from the perspective of how desirable and feasible they consider the behaviour to be. This together with the propensity to act forms the intention (Ayob et al., 2013).

The element of perceived desirability is defined by Shapero as the extent to which an individual finds the prospect of establishing a new venture to be attractive (Krueger, 1993). Perceptions will differ from one person to the next, based on values, attitudes, social backgrounds, education and experience.

The factor of perceived feasibility can be described as the degree to which people believe in their ability to establish a new business. Shapero (1982) maintains that the two concepts of desirability and feasibility are interrelated.
The model requires entrepreneurship to be perceived as a credible career option; however, this is dependent on how individuals view it. Ayob et al. (2013) refer to the example of a student’s perceptions of self-employment being positive; however if the student does not perceive this as being feasible, he or she is unlikely to follow that route, and vice versa.

This model proposes that perceived desirability and propensity to act describe more than half the variance in intentions towards entrepreneurship while perceived feasibility explains the most variance (Krueger et al., 2000). Shapero (1982) demonstrates how important perceptions are and also shows that critical life events, such as losing a job, impact on perceptions; these factors can be the impetus in increasing entrepreneurial activity (Krueger et al., 2000).

### 2.4.3 The theory of planned behaviour (TPB)

The TPB was developed further, nine years after the earlier model of the Theory of Reasoned Action (TRA) (Ajzen & Fishbein). The TRA was originally used in social psychology to explain intentions. Traditionally, in the field of social psychology, the focus was more on the failure of attitudes to predict behaviour accurately, and intention was a mediating variable. The TRA added a second (theory-based) attitude which portrayed how social norms impacted intentions (Krueger, 2003).

The TRA had limitations, however, in handling behaviours in instances where individuals had partial volitional control (Ajzen, 1991). Ajzen suggested that an additional third antecedent, perceived behaviour control be added; this would take into account the fact that it could prove difficult to shape strong intentions and carry out a certain behaviour if this is not within an individual’s control (Krueger, 1993).

The TPB (1991) remains the most-recognised model for behavioural intentions and it has been used extensively in the literature as a framework to understand and predict behavioural intentions in different contexts (Schlaegel & Koenig, 2013). As with the theory of reasoned action, the TPB is centred upon the intention to carry out a certain behaviour (Ajzen, 1991); it is assumed that
people will intend to carry out a certain behaviour if they perceive the benefit to be positive and if they consider the relevant resources and opportunities to be available (Urban & Teise, 2015). Motivational factors influencing behaviour can be summarised as intentions are believed to summarise motivational factors that influence behaviour. Ajzen (1991) maintains that, for the most part, the more an individual intends to engage in a certain behaviour, the more likely that person will succeed in doing so.

Figure 2.1 represents the theory in diagram format but the potential effects of behaviour on the antecedents were omitted for ease of presentation (Ajzen, 1991). However, according to Krueger et al. (2000) Figure 2.1 depicts the theory in its most valid and robust form.

Figure 1: Ajzen’s Theory of Planned Behaviour

Source: Krueger et al., 2000.

The TPB recognises three attitudinal antecedents in the intention formation process (Krueger et al., 2000): attitude towards the behaviour (ATB), subjective social norms and the perception of behaviour control (PBC).

a. **Attitude towards behaviour (ATB)**

The term ATB refers to an individual’s intention to behave in a particular way. This measurement addresses how the individual perceives the strength of his or her motivation to do whatever needs to be done. The validity of the measurement of this attitude depends on the expectations and beliefs the individual has on the impact and outcomes the behaviour will have on his or her
life. To arrive at the findings, one must observe the behaviour of members of a focus group, experts or a holdout sample. Two factors are measured for each subject: (1) what do they expect the outcome to be and (2) how high do they rate their chances of getting that outcome. A quick review of prior studies on entrepreneurial intentions found several testable outcomes including personal wealth, autonomy and community benefits (Krueger et al., 2000).

b. **Subjective social norms**

Social norms relate to perceived social pressure to carry out a certain behaviour (Malebana, 2014) and depend on the support that can be expected from others (Urban & Teise, 2015).

c. **Perceived behaviour control (PBC)**

The term ‘PBC’ implies that one can personally control one’s own behaviour. This term relates to self-efficacy which can be described as one’s perceived ability to behave in a certain way (Krueger et al., 2000). Perceived behaviour control was a contribution added to the TPB to explain how non-motivational influences turn attitudes into actual behaviour (Ayob et al., 2013). Krueger et al. (2000) confirm that Bandura’s concept of perceived self-efficacy coincides with PBC. Krueger et al. (2000) acknowledge that the two concepts overlap and Meyer et al. (1993) as cited in Krueger et al. (2000) acknowledge that self-efficacy links conceptually and empirically to attribution theory, which has been positively applied to new venture creation. However, Ajzen (2002) found that while PBC and self-efficacy are similar in nature, they are actually distinct constructs; nevertheless Ajzen maintained that self-efficacy is a more significant antecedent of intentions. A year later, the concept of behaviour control was clarified by Ajzen and the significance of including self-efficacy and controllability items into measures to improve behaviour predictions was highlighted. This study uses PBC to measure an individual’s level of perceived self-efficacy and their ability to carry out a targeted behaviour (Ajzen, 1991). Van Gelderen (2006) claims that added variables such as role models, work experience, gender and personality traits, are influential in promoting
understanding. It is presumed, however, that the impact of these variables is mediated by the effect of the elements in the TPB on EI.

![Diagram of TPB]

**Figure 2: The theory of planned behaviour**


In summary: the TBP suggests that intention is a prerequisite for targeted entrepreneurial behaviour and if entrepreneurs have the necessary opportunities, resources and intention to pursue the behaviour, it is likely that they will be successful (Krueger, Kickul, Gundry, Verma & Wilson, 2009; Ayob et al., 2013).

### 2.4.4 Entrepreneurial potential model

This model integrates concepts from the Entrepreneurial Event Model developed by Shapero (1982) together with Ajzen’s TPB (1991). Those models reflect the view that intentions of starting a new venture are greatly influenced by attitudes and beliefs. Favourable behaviour is based on one’s personal perceptions of feasibility and desirability.

Of these two models, the entrepreneurial potential model is simplified and it links the perception of how desirable the attitude is towards the behaviour; it also links subjective norms and perceived feasibility to perceived behaviour control (PBC). Again, personal perceptions will vary from person to person while
motivation is a critical element if expected goals are to be attained (Ayob et al., 2013).

The concept of self-efficacy has been integrated into perceived feasibility by Krueger and Brazeal (1994) as this is considered to be a major consideration in career selection.

Many writers support this view. (Betz and Hackett, 1981, 1983; Eccles, 1994; and Hackett and Betz, 1981 as cited in Wilson, Kickul and Marlino, 2007). These writers all maintain that self-efficacy has been tied extensively to literature on career theory with the goal of trying to understand career preferences and career-oriented behaviour. Further research indicates that self-efficacy in academics has the greatest direct effect on career objectives. Kingon, Markham, Thomas & Debo (2002) make a connection between self-efficacy as a reliable predictor of career options, occupational interests, personal effectiveness and determination to see difficult tasks through.

![Entrepreneurial Potential Model](image)

**Figure 3 : Entrepreneurial Potential Model**

*Source: Adapted from Shapero & Sokol (1982); Krueger (1993); Krueger and Brazeal (1994) and Krueger et al. (2000).*

These models have proven to be empirically robust (Krueger et al., 2000) and they overlap in two areas (Krueger & Brazeal, 1994). Thus, the construct of
perceived desirability in the model by Shapero’s (1982) is similar to PBC explained in the TPB, which in turn is similar to self-efficacy (Linan et al., 2011) and ‘perceived venture desirability’ is similar to the elements of ATB and subjective norms (Krueger & Brazeal, 1994) The models advocate that an individual’s perceptions of desirability and feasibility should be increased if economic progress in the form of new venture creation is to be encouraged (Venter et al., 2008).

Overall, intentions in the direction of purposive behaviour are essential for explaining the antecedents, connections and outcomes of that behaviour (Krueger, 1993). Krueger (2007) (as cited in Linan et al., 2011) confirms that an investigation of the underlying deep beliefs of cognitive structures, entrepreneurial attitudes, intentions and actions provides better insights into understanding entrepreneurship.

2.5. Entrepreneurial Intentions in South Africa

Potential entrepreneurs are able to identify opportunities for creating new ventures and they believe that they are capable enough, and have the necessary experience to form a new venture. However their skills and the perceived opportunity will not, by themselves, lead to the intention to establish a venture. Thus, the perceived advantages and disadvantages of establishing new ventures will be compared to other employment options and individuals will make an assessment. Most importantly, the environment in which the potential entrepreneurs operate has to be an enabling and supportive one. The Global Entrepreneurship Monitor (GEM) defines entrepreneurial intention as the proportion of the population group between the ages of 18 and 64 with intentions of establishing a new venture in the next three years. Many factors influence entrepreneurial intent, including societal attitudes, whether entrepreneurship is considered to be a viable career choice and the extent to which attention is paid to entrepreneurship by the media (Herrington et al., 2014).
The 2014 GEM report claims that factor-driven economies see higher levels of EI than innovation-driven economies. South Africa is the one efficiency-driven economy in the sub-Saharan region and despite desperately high levels of underemployment, it scores significantly lower than other efficiency-driven economies (Herrington et al., 2014).

While South Africa’s pool of potential entrepreneurs has remained relatively constant over the years, the scores for perceived capability and perceived opportunities are half the average in the sub-Saharan region. The GEM report states that even though entrepreneurial activity has increased marginally over the last ten years, it is still disturbingly low for a developing country; this is despite unemployment rates being uncomfortably high. With the support of government, the amount of women’s entrepreneurship has increased but overall, early entrepreneurial activity dropped to a mere 34%. The biggest challenges facing entrepreneurs today in South Africa are the lack of perceived opportunities to establish a new venture and the lack of belief in one’s own ability to do so. This helps explain why levels of entrepreneurial activity remain low compared to other countries in sub-Saharan Africa. Herrington et al. (2014) argue that these are the two main factors influencing whether one is likely to consider starting a new business.

The legacy of apartheid in South Africa is believed to have damaged levels of self-confidence and motivation in various cultural groups; disadvantaged communities live with low levels of self-efficacy (Urban, Van Vuuren & Owen, 2008). Rabow, Berkman and Kessler (1983) observed that poor people reflected symptoms of learned helplessness. Urban et al. (2008) argue that while individuals in transitional economies may perceive that pursuing entrepreneurial activity is desirable, their lack of self-efficacy will prevent them from doing so.

In 2014, EI in South Africa had decreased by 23% to only 11.8%. This rate is significantly lower than for the other regions in sub-Saharan Africa. South Africa also ranks poorly when compared to other efficiency-driven economies in the 2014 GEM survey. The average for these economies is 22.8% (Herrington et al., 2014).
Despite the high returns that entrepreneurship can yield, individuals still consider the perceived risks as being too high. There are many variables that contribute to risk-assessment, including perceptions of how favourable the environment is, bureaucracy, red tape, corruption and the attractiveness and competitiveness of the market (Herrington et al., 2014).

The total entrepreneurial activity in South Africa provides a bleak picture with a score of only 7% in 2014 which again is considerably lower than its counterparts, widening the gap even further. The authors make the claim that entrepreneurship in South Africa is regressing (Herrington et al., 2014).

2.6. Social entrepreneurial intentions

Although there has been growth, globally, in social entrepreneurship (SE), not much is known about the underlying motivations and variables predicting social entrepreneurial behaviour (Hockerts, 2014). Research has embraced a behavioural approach when investigating SE, by shifting the emphasis to the individual (Urban, 2008).

Urban and Teise (2015) argue that individuals are the primary forces in understanding entrepreneurship although the entrepreneurship process has several elements. That process can only develop when individuals act and are prompted to pursue opportunities.

The intention of pursuing SE and establishing a social venture depends on the perceived feasibility and desirability of that task (Urban & Teise, 2015).

There are no measures available to assess the social impact of SE; in other words, how and when individuals become social entrepreneurs (Hockerts, 2015). Mair and Noboa (2003) were the first to conceptualise theoretical suggestions regarding the antecedents of SEI. These authors show how intentions to start a social venture are founded on four prominent antecedents (ordinarily known as predictors) of social entrepreneurial behaviour: empathy, moral judgement, social support and self-efficacy (Hockerts, 2014). Mair and Noboa (2003) then argue that these antecedents of SEI are mediated through
perceived feasibility and perceived desirability. The authors propose that empathy and moral judgement are instrumental in forming SEI.

The model is not intended to be all-encompassing but rather a focused one with an emphasis on certain variables that highlight the likely differences between commercial and social entrepreneurship (Ernst, 2011). Grounded in the principles of the TPB and drawing on the work of Krueger et al. (2000), the model associates hypothesised antecedents to the entrepreneurial event model (Shapero, 1982). Thus, the model proposes that self-efficacy and social support predict perceived feasibility while empathy and moral judgement predict perceived desirability (Hockerts, 2014). This study attempts to identify whether any relationship exists, by analysing the predictors of perceived feasibility and perceived desirability, and vice versa, in South Africa.

The model has since been refined by Tukamushaba, Orobia and George (2011) while the only endeavour to verify, empirically, the model of Mair and Noboa was made by Forster and Grichnik (2013); there, the focus was on volunteers in a corporate environment. Ernst (2011) conducted a more direct study of the antecedents of SE behaviour. In line with the TPB, specific survey items were developed to suggest those antecedents (Hockerts, 2014). Additional characteristics influencing SEI include personal context and the circumstances of the individual, including prior experience; these are important in triggering desirability to initiate social entrepreneurial activity (Urban & Teise, 2015). Positive prior experience and background increase self-belief which ultimately leads to increased levels of perceived ability to perform a certain behaviour.
2.6.1 Empathy as an antecedent of perceived desirability and feasibility

Researchers in the field of SE acknowledge that empathy is an important factor in SE behaviour. Even though empathy is a well-established construct in psychology literature (Hockerts, 2015), there is no consensus on a single definition of empathy. Mair and Noboa (2003) define it as the “ability to intellectually recognise and emotionally share the emotions or feelings of others.” Research differentiates between affective and cognitive empathy and scholars tend to agree that empathy is an affective response; in other words, the ability to adopt someone else’s perspective or point of view. Empathy is considered to be a rudimentary requirement of social behaviour. Mair and Noboa (2003) also found that individuals who are empathetic will have a desire to help alleviate another person’s suffering while research in SE shows that a feeling of wanting to help, motivates individuals to start a social venture. These authors argue that not all social entrepreneurs have high levels of empathy and so it is “necessary but not a sufficient condition in the SE process” (Mair & Noboa, 2003, p. 12). They then contend that a positive amount of empathy is required to prompt the perceived desirability to create a social venture (Mair & Noboa, 2003).
As outlined earlier in the chapter, there is an overlap between the concepts of perceived behavioural control (PBC) and self-efficacy. PBC relates to the perception of how easy or difficult it would be to complete a certain task or carry out certain behaviour (Tukamushaba et al., 2011). The TPB confirms that available resources and opportunities should, to some degree, indicate the probability of achieving a certain behaviour. Therefore, understanding an action should take the expected outcome (desirability) and self-efficacy (feasibility) into account (Tukamushaba et al., 2011). Urban & Teise (2015) found that there was a positive correlation towards intention. It is therefore hypothesised that:

H1: A positive relationship exists between empathy and perceived feasibility of establishing a social venture.

H2: A positive relationship exists between empathy and perceived desirability of establishing a social venture.

### 2.6.2 Exposure as an antecedent of perceived desirability and feasibility

Exposure is an important antecedent to perceptions of desirability and feasibility. Basu and Virick (2008) categorise exposure into education, family and direct experience, all of which influence the formation of entrepreneurial intention.

Various authors (Bandura, 1986; Hollenbeck & Hall; 2004; Wilson et al., 2007) have shown that entrepreneurship and targeted education can increase one’s level of self-efficacy. Noel (2002) indicated that there was a direct relationship between entrepreneurial education and entrepreneurship as a career choice; this finding is supported by Wilson et al. (2007) who argue that interest in entrepreneurship as a career is increased by means of entrepreneurship education. Social entrepreneurship education provides students with an understanding of social dynamics and through that education, they receive exposure to social entrepreneurship.

Krueger (1993) suggests that prior exposure could include, for example, exposure to family-run businesses; this would influence one’s attitudes towards
entrepreneurship. Direct exposure to successful family businesses is likely to have a positive influence on an individual’s perceived feasibility and desirability to start a business (Basu & Virick, 2008).

Research by various authors has led to the acceptance of the view that entrepreneurship can be taught. This has led to an increase in the number of entrepreneurial education and training programmes in developed and developing countries (Malebana & Swanepoel, 2014).

Research has shown that entrepreneurial activity in rural areas is significantly lower than in urban areas. This is mostly because of lack of skills, infrastructure and development as well as a lack of a large enough local market (Herrington et al., 2010). Fayolle (2004) acknowledged that entrepreneurial education can aid business start-ups through changing students’ mind-sets and developing their entrepreneurial orientation.

Direct experience has been found by Ayob et al. (2013) to have a positive relationship to entrepreneurial intent formation. It is hypothesised that:

H3: A positive relationship exists between exposure and perceived feasibility of establishing a social venture.
H4: A positive relationship exists between exposure and perceived desirability of establishing a social venture.

2.6.2 Self-efficacy as an antecedent of perceived feasibility and desirability

The term ‘self-efficacy’ refers to the extent to which people believe that they have the capability to control their own destiny. Individuals with high self-efficacy do not believe that environment or external forces directly influence the way their life progresses. Bandura (1999) defines self-efficacy as the ability to arrange and execute courses of action to reach a desired type of performance. Self-efficacy is important because it can be developed through training. In entrepreneurship literature, self-efficacy has developed into entrepreneurial self-efficacy (ESE) which describes the extent to which an individual believes that
he or she can start an entrepreneurial venture. In the SE context, individuals with greater self-efficacy are more inclined to create a social venture because they believe that they are capable of doing so (Mair & Noboa, 2003).

The concept of self-efficacy is used widely in the literature, and especially in career theory, to understand possibilities and preferences within perceived and stated careers. It is a consistent predicator of career options and interests. A strong body of research exists that shows a strong association between ESE and entrepreneurial career preference. The research suggests that individuals with greater levels of self-efficacy are more inclined to have greater levels of EI and that they have the ability to form a social enterprise. According to Boyd and Vozikis (1994) people with greater self-efficacy are more likely to engage in entrepreneurial activities in the early stages of career development. Bandura (1986) suggests there are four main sources of confidence: mastery of experiences, modelling, social persuasion and judgements of our own physiological states. Learning by doing is a most basic determinant of our self-confidence and ability. The development of self-efficacy is positively influenced by education and training (Wilson et al., 2007). Research has shown that self-efficacy is a reliable predictor in an educational environment. Piperopoulos and Dimov (2015) acknowledge that the impact of entrepreneurial courses and training on entrepreneurial behaviour can influence, either positively or negatively, students’ perceptions of whether they can do something. It is hypothesised that:

H5: A positive relationship exists between self-efficacy and perceived feasibility of establishing a social venture.

H6: A positive relationship exists between self-efficacy and perceived desirability of establishing a social venture.

2.6.3 Perceived desirability and feasibility

The perception of desirability comes from a personal predisposition towards ventures that are perceived to be more desirable than others. Simply put, the term ‘desirability’ relates to how appealing is it to an individual to generate an entrepreneurial event such as starting a venture. The term ‘perceived feasibility’
indicates the extent to which people believe they have the capability to start a new venture (Mair & Noboa, 2003).

Perceived desirability and feasibility are important antecedents of intentions and a fundamental test confirmed that desirability and intention undoubtedly predict feasibility and vice versa (Elfving, Brannback & Carsrud, 2009).

In earlier work, Shapero and Sokol (1982) described the perception of desirability and feasibility as significant components in the process leading to the formation of a firm. Shapero’s model indicates that different individuals will have different perceptions of what is feasible and what they find desirable. Perceptions are influenced to a large extent by an individual’s surroundings, both social and cultural. The inclusion of ‘intention’ by Krueger into Shapero’s model established a connection to Ajzen’s TPB. This theory suggests that beliefs influence attitudes which in turn influence and affect intentions. The model suggests that there is no direct link between an individual’s characteristics and that person’s intention to form a social venture; rather, these are indirectly influenced by perceptions of desirability and feasibility. Mair and Noboa further develop this notion in the context of SE. Their analysis has been limited to only a few variables and links because of the nature of the relationships and the multi-disciplinary nature of the phenomenon. Only the following three variables will be unpacked in more detail in this study: empathy, exposure and self-efficacy. It is hypothesised that:

H7: A positive relationship exists between perceived feasibility and perceived desirability of establishing a social venture.

H8: A positive relationship exists between perceived feasibility and intention to establish a social venture.

H9: A positive relationship exists between perceived desirability and intention to establish a social venture.
2.7. Proposed conceptual model

Ayob et al. (2013) adapted a conceptual framework from previous models developed by Shapero (1982) and Krueger and Brazeal (1994): these were the entrepreneurial event model and entrepreneurial potential model respectively. Their conceptual framework is used to determine the levels of SE intention among graduates in Malaysia. Those authors use the model to understand the factors that lead to intention formation. In their model, they include empathy and exposure as antecedents to perceived feasibility and desirability.

In this study, the model will adapt self-efficacy (as used in Mair & Noboa, 2009) because of the robust body of literature that exists supporting the connection between the significance of self-efficacy and EI (Wilson et al., 2007).

![An adapted model of SEI](image)

**Figure 5: An adapted model of SEI**

In short, the model proposes that perceptions of desirability and feasibility influence intentions to start a social enterprise. The perceptions are initiated by ‘enabling’ elements: self-efficacy, exposure and empathy (Mair & Noboa, 2009).
2.8. Conclusion of literature review

Social entrepreneurship (SE) is a fairly new academic field and so there has been little research to explain the phenomenon and the makeup of social entrepreneurs. As a subset of entrepreneurship and with an entirely different mission, SE is gaining popularity across the world and social entrepreneurs are considered to be the solution to some of the world’s most challenging problems. Social entrepreneurship differs from traditional entrepreneurship in a number of ways but boundaries are being blurred especially as for-profit companies become more socially responsible (Roberts & Woods, 2005). The most distinguishing factors, however, are purpose and motivation. Social entrepreneurs are not driven by economic values but rather by social values and their whole reason for existing is to make a difference on a large scale. Defining SE is somewhat challenging and research has indicated that the field faces its own definitional conundrum (Light, 2005). Intentions are critical in the entrepreneurial process and various scholars have developed intention formation models. A theoretical conceptual model is derived, which identifies cognitive and enabling factors that influence perceived desirability and feasibility of establishing a social venture. Identifying and developing potential social entrepreneurs is important in countries plagued by unemployment, poverty and other social ills.

Table 3: Summary of hypotheses

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>A positive relationship exists between empathy and perceived feasibility of establishing a social venture</td>
</tr>
<tr>
<td>H2</td>
<td>A positive relationship exists between empathy and perceived desirability of establishing a social venture</td>
</tr>
<tr>
<td>H3</td>
<td>A positive relationship exists between exposure and perceived feasibility of establishing a social venture</td>
</tr>
</tbody>
</table>
A positive relationship exists between exposure and perceived desirability of establishing a social venture.

H5 A positive relationship exists between self-efficacy and perceived feasibility of establishing a social venture.

H6 A positive relationship exists between self-efficacy and perceived desirability of establishing a social venture.

H7 A positive relationship exists between perceived feasibility and perceived desirability of establishing a social venture.

H8 A positive relationship exists between perceived feasibility and intention to establish a social venture.

H9 A positive relationship exists between perceived desirability and intention to establish a social venture.

Table 2.3, above summarises the hypothesised relationships. The following chapter will discuss the research methods used to collect and analyse the data.
CHAPTER 3: RESEARCH METHODOLOGY

In this chapter, the research methodology is reviewed. Thus, the chapter provides a theoretical overview of the methodology adopted for the research and describes the practical application of the research carried out. The population and sampling method, the data collection procedure and analysis of the data are described. This is followed by interpretation, including the validity, reliability and the possible limitations.

3.1 Research methodology

This research adopted a positivist paradigm. In research, positivism is the dominant approach for research involving samples of the general public. It is a scientific method used to gain factual knowledge through observations. The premise behind positivism is that trustworthy knowledge, deemed to be factual, is gained through observation and measurement. Research in the field of entrepreneurship tends to be positivistic in nature (Bruyat & Julien, 2001). Against this background, this research will adopt a positivistic approach in attempting to realise its objectives.

The research followed a quantitative and descriptive conceptual framework and it attempted to identify the levels of social entrepreneurial intent (SEI) among students in South African universities. The emphasis in quantitative research is on quantifying certain constructs and measuring properties of phenomena by allocating numbers to the perceived quality of things (Babbie & Mouton, 2009). This approach is suitable for this study which seeks to determine the level of SEI amongst tertiary-level students. The quantitative approach allows researchers to attempt to measure a construct precisely, answering questions related to how much and who (Cooper & Schindler, 2014).

Quantitative research differs from qualitative research, which is more descriptive and investigative. Quantitative research is analytical and makes use
of deductive reasoning and descriptive research methods. It attempts to establish causal links between variables and allows for causality between relationships to be tested (Kalof, Dan & Dietz, 2008; Saunders, Lewis & Thornhill, 2009). Quantitative research adopts a post-constructivist approach which places importance on the presumption of meaning, processes and experiences (Kalof et al., 2009).

Descriptive studies attempt to answer the questions of why, where, who, what and occasionally how. Often, a profile of a group of problems, people or events is created to define a subject through the collection of data and the number of times a researcher perceives an event (Cooper & Schindler, 2014). This study will employ this approach in seeking to understand what influences the levels of social EI among tertiary level students in South Africa.

Empirical evidence suggests that once the theories have been tested on different sampling frames, generalisations to the population can be made. While quantitative research can be advantageous, it also has its limitations; for example, hypothesised responses may not entirely be understood by the researcher. Also, quantitative research can be too broad and does not always have direct application for specific contexts (Johnson & Onwuegbuzie, 2004).

### 3.2 Research Design

Cooper and Schindler (2014) indicate that research design is the blueprint for realising objectives and responding to questions. They propose various definitions of research design but in sum, it is a framework of investigation starting from developing hypotheses at the beginning, right through to the final analysis of data. Research design can be described as a guide for selecting sources of information and a structure for stipulating relationships among variables.

While various forms of research design exist, the one selected for this study is a cross-sectional study design. The cross-sectional approach involves the collection of data from an entire population or subset thereof, usually at one point in time. The collected data are analysed to identify patterns of association
between two or more variables. Most cross-sectional study designs make use of questionnaires to collect data. Questionnaires are used to ask participants to respond to questions as opposed to engaging in conversation, where certain behaviour can be observed. Certain rules differentiate questionnaires from standard conversations (Olsen, 2004).

3.3 Population and sample

3.3.1 Population

This research is targeted towards students studying at tertiary institutions in Gauteng, South Africa.

3.3.2 Sample and sampling method

A sample observes a proportion of the target population and any such sample should be carefully chosen to represent that target population (Cooper & Schindler, 2014). This study will be conducted on a purposive non-probability sample. Purposive sampling is based on a non-probability sample that follows certain standards. Data for this research are gathered from a sample of tertiary level students enrolled at identified institutions. The advantage of non-probability sampling, as opposed to probability sampling, is that it can be conducted by personnel and/or field assistants with only limited skills (Gobo, 2004).

The following sampling frame has been identified for the purposes of this study:

Table 4: Sample

<table>
<thead>
<tr>
<th>Institution</th>
<th>Distributed questionnaires</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Pretoria</td>
<td>80</td>
</tr>
<tr>
<td>Wits University</td>
<td>80</td>
</tr>
<tr>
<td>Tshwane University of Technology</td>
<td>80</td>
</tr>
</tbody>
</table>
3.4 The research instrument

A self-administered questionnaire was created on, and made available through, Qualtrics. It was distributed by way of an email link as well as by the provision of hard copies to students. In this study, SEI is the dependent variable and exposure, empathy and self-efficacy are the independent variables. The following constructs were taken from prior related studies and proved to have high validity and reliability. These were consolidated into one final questionnaire:

1. Demographic profile of the student.

2. Questionnaire measure of empathic tendency. Stotland (1969) found that there were a number of inconsistencies with this type of measurement. In a response to the problems highlighted by Stotland (1969), Aderman and Berkowitz (1970) developed an alternative measurement of emotional empathy. The questions that Mehrabian and Epstein (1972) used to measure emotional empathy comprised a final set of intercorrelated subscales that measure related characteristics of emotional empathy. The scale made use of a 5-point Likert scale in a matrix table format ranging from ‘strongly agree’ to ‘strongly disagree.’

3. Desirability of control scale was used to measure self-efficacy. Certain constructs within this scale mirror constructs/concepts with the entrepreneurial self-efficacy questionnaire that Wilson et al. (2007) adopted in the pilot study. The items measuring the desirability of control scale make use of a 5-point Likert scale in a matrix table format ranging from ‘strongly agree’ to ‘strongly disagree.’

4. The items in the questionnaire used to determine the perceived desirability of setting up a social enterprise were adopted by Krueger (1993); these items were measured using a bipolar matrix table
ranging from 1 being a very positive response to 5, a very negative response.

5. The items in the questionnaire used to determine the perceived feasibility of setting up a social enterprise (Krueger, 1993) were measured using a 5-point Likert scale in a matrix table format, with answers from ‘very positive’ to ‘very negative.’

6. The questionnaire aimed to determine whether students had any prior exposure to social business. This construct was adopted by Shapero’s (1982) study of entrepreneurial intent. It was modified slightly to include social business (Ayob et al., 2013). The items on this scale were measured using a 2-point Likert scale in matrix table format with a simple ‘yes’ or ‘no’ as options for answers.

For the purposes of this study, separate questionnaires were consolidated into one final instrument which would not be too onerous to complete. The questions were both relevant and understandable as far as the purpose of the research was concerned.

The final questionnaire contained various constructs as indicated in Annexure A. These were mostly measured through the use of close-ended questions on a Likert-style scale ranging from ‘strongly agree’ to ‘strongly disagree.’ The use of close-ended questionnaires ensured that the questionnaire was simple and quick to complete.

### 3.5 Validity and reliability of research

Cooper and Schindler (2014) acknowledge that there are various types of validity applied in research literature and these numbers are increasing as a result of increasing concern over ensuring appropriate scientific measurement. These authors, however, focus on two types of validity; external and internal validity.

The authors identify three standards to evaluate the measurement tool; validity, reliability and practicality (Cooper & Schindler, 2014). Validity refers to the
degree to which the test actually measures what is intended to be measured. Reliability measures how accurate and precise the tool is. Practicality refers to how easy and efficient it is to use.

### 3.5.1 External validity

External validity is the interaction of experimental treatment with various factors that ultimately influences the ability to ‘generalise to (and across) times, settings or persons’ (Cooper & Schindler, 2014).

### 3.5.2 Internal validity

Internal validity simply refers to whether the instrument really measures whatever the researcher claims it measures (Cooper & Schindler, 2014). Internal validity can be classified as: content validity; criterion-related validity and construct validity.

### 3.5.3 Reliability

Reliability can be described as the degree to the extent to which a research instrument produces consistent results. An instrument that is reliable can be used under different conditions and at different times. A reliable instrument is one that can be used confidently in the knowledge that situational and temporary factors do not interfere.

**Table 5: Alpha scores of previous studies**

<table>
<thead>
<tr>
<th>Construct</th>
<th>Pilot study α</th>
<th>Empirical study α</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empathy</td>
<td>0.523</td>
<td>0.74</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Ayob, et.al., 2013)</td>
</tr>
<tr>
<td>Perceived feasibility</td>
<td>0.308</td>
<td>0.57</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Krueger (1993)</td>
</tr>
<tr>
<td>Perceived desirability</td>
<td>0.589</td>
<td>0.77</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Ayob, et.al., 2013)</td>
</tr>
<tr>
<td>Exposure</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Ayob, et.al., 2013)</td>
</tr>
<tr>
<td>Self-efficacy</td>
<td>0.83</td>
<td>Burger and Cooper</td>
</tr>
</tbody>
</table>

52
3.6 Pilot study

A pilot study was conducted at the Maharishi Institute in Johannesburg and 52 respondents were part of the pilot sample. The results of the pilot study were beneficial in improving the research instrument.

The Maharishi Institute was the first free university in South Africa, providing access to tertiary education to students who either cannot afford a mainstream university or who do not qualify with exemptions to enter mainstream universities.

Of the 52 respondents at the university, 30 (58%) were female while the other 42% were male. Most of the respondents were Black. Almost two-thirds of the respondents (63%) had Matric as their highest level of education and 25% had a short programme completed, and 10% had a diploma or higher. The average age of the respondents was 23.90 years with the youngest being 21 years old and the oldest being 34 years old.

The following table summarises the alpha scores of the measurement scales used in the pilot study.

Scale validity

Exploratory factor analysis (EFA) was conducted to assess the validity of the constructs. The results for the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) were all greater than the minimum required value of 0.5, Empathy (KMO = 0.674), Self-efficacy (KMO = 0.782), Perceived Desirability (KMO = 5.29), Perceived feasibility (KMO =0.677) and Social Entrepreneurial Intent (KMO = 0.946). The KMO values greater than 0.5 indicates that the sample size was enough for conducting factor analysis. The Bartlett's Test of Sphericity had significant p-values as requires (the values should be less than 0.05). For all the constructs, the probability associated with the Bartlett test was < .001. The statements within each scale loaded highly to their respective factors. These results shows that the scales for the 5 constructs were valid.
Table 6: Reliability and validity of measurement scales

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>α</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empathy</td>
<td>52</td>
<td>0.523</td>
<td>1.57</td>
<td>3.80</td>
<td>2.61</td>
<td>.418</td>
</tr>
<tr>
<td>Perceived feasibility</td>
<td>51</td>
<td>0.308</td>
<td>2.00</td>
<td>5.00</td>
<td>4.16</td>
<td>.809</td>
</tr>
<tr>
<td>Perceived desirability</td>
<td>52</td>
<td>0.589</td>
<td>2.67</td>
<td>5.00</td>
<td>3.97</td>
<td>.563</td>
</tr>
<tr>
<td>Exposure</td>
<td>52</td>
<td>-</td>
<td>.00</td>
<td>4.00</td>
<td>1.85</td>
<td>1.363</td>
</tr>
<tr>
<td>Self-efficacy</td>
<td>52</td>
<td>0.734</td>
<td>3.00</td>
<td>5.00</td>
<td>4.21</td>
<td>.559</td>
</tr>
</tbody>
</table>

(a) Empathy

The reliability analysis produced a Cronbach’ Alpha Coefficient value of 0.523. Normally the acceptable value is 0.7 but for the purposes of preliminary research, a score of 0.5 and greater has been reported as adequate (Nunnally, 1978). This implies that the 15 statements measuring Empathy could be grouped together to form a summated scale for Empathy. The summated scale was computed by calculating the average score for each individual respondent.

Within the Empathy scale, reliability was assessed using the Cronbach’s Alpha after reversing the scale (the scale was reversed as the items being measured were the opposite of what was intended) for the following variables:

1. I often find public displays of affection annoying.
2. I am able to remain calm even though those around me worry.
3. I am able to make decisions without being influenced by people’s feelings.
4. I become more irritated than sympathetic when I see someone’s tears.

(b) Entrepreneurial self-efficacy
The reliability assessment for the six statements measuring entrepreneurial self-efficacy produced a Cronbach’ Alpha Coefficient value of 0.734. This implies that there is good internal consistency in the items measuring entrepreneurial self-efficacy and thus, they were combined to form one summated scale.

(c) Perceived feasibility

The reliability assessment for the five statements measuring perceived feasibility produced a Cronbach’ Alpha Coefficient value of 0.308 as shown in table 3.3 above. This is after the scale for “How hard do you think it would be?” and “How overworked would you be?” had been reversed. The deletion of any of the five statements on the perceived feasibility construct will not result in a Cronbach’s Alpha greater than the bare minimum acceptable value of 0.5. This implies that there is poor internal consistency in the items measuring perceived feasibility; in other words they are not reliable for measuring perceived feasibility and so they cannot be grouped together to measure that construct.

(d) Perceived desirability

A reliability test was conducted for perceived desirability after reversing the scale for “How tense would you be.” The results revealed a Cronbach’s Alpha of 0.589 which is an acceptable level of internal consistence. A summated scale was computed by taking the average of the items within the perceived desirability construct.

(e) Exposure

The variable exposure was measured using four variables with ‘yes’ or ‘no’ answers. A ‘yes’ was coded as 1 and a ‘no’ as 0. The exposure score for each respondent was calculated by adding up the number of ones.

3.7 Procedure for data collection

There are two methods for data collection. The categories distinguish between monitoring and communication processes. Monitoring takes place when observations of behaviour, condition, subjects, people or processes are made
by the researcher without trying to prompt responses from anyone. In contrast, the communication approach requires the researcher to collect primary data by personal or impersonal means, on people’s attitudes, motivations, intentions or expectations. The collected data could be in the form of self-administered instruments, interviews or experiments. The purpose of surveys is to collect comparable data across subsets of the population. While this approach is advantageous in that it is versatile and that more information can be yielded from questions during face-face interviews, it also has room for error (Cooper & Schindler, 2014).

Self-administered questionnaires were distributed to respondents through two different channels: electronic and physical distribution. The survey was prepared on Qualtrics and forwarded to the respondents at Maharishi Institute and Wits Business School via an email forwarded by the lecturers. The second channel involved the physical distribution of the hard copies of the questionnaire at Wits University and the University of Pretoria; this was done by two field workers. The researcher relied on the field worker to keep the completed questionnaires safe. Once the required number of questionnaires had been obtained, the researcher collected them all at once. The completed questionnaires remained anonymous and were not distributed, shared or discussed by the field workers and the researcher.

The key advantages of self-administered questionnaires include the following:

- These are relatively inexpensive and not very time consuming.
- Through the use of internet and email, more data can be collected in a short time.
- Respondents are not pressured for time to complete the questionnaires.
- Geographical locations can be expanded without increasing costs.
- There is complete anonymity.
- Relative short turnaround time.
However, questionnaires must not be lengthy and they usually require an environment that is not distracting. Low response rates can be expected for those questionnaires that are emailed (Cooper & Schindler, 2014)

3.8 Ethical considerations

Ethics is an important consideration in research. Researchers should ensure that nobody suffers any adverse consequences or is harmed during the research process. There are various ways in which ethics are violated and these include but are not limited to: not respecting participant confidentiality, misrepresenting data, lying to participants and using invoice irregularities (Cooper & Schindler, 2014). Ethics, according to Cooper and Schindler (2014), are standards by which moral choices about our behaviour are guided in terms of our relationships with others.

This research took into account several ethical considerations and was conducted with integrity. The consent of the participants was obtained, the purpose of the study was explained in a covering letter which included guaranteeing the participants privacy. Confidentiality was kept by non-disclosure of data subsets and by keeping the questionnaires anonymous.

3.9 Data analysis and interpretation

Once the questionnaires had been completed and the required number of participants had been reached, all information on the questionnaires was captured into Excel and then analysed further with SPSS software. As far as responses in Qualtrics are concerned, these were captured directly into SPSS. There are various ways in which data can be analysed but for this study, Structural Equation Modelling (SEM) was used to analyse the data and the relationships of variables.
(a) **Descriptive statistics**

Descriptive statistics summarise and present the data in a meaningful way. The data are initially presented in the form of descriptive statistics and are analysed further and shown using SEM.

(b) **Structural Equation Modelling (SEM)**

Structural Equation Modelling (SEM) is a general modelling technique commonly used in behavioural science. It combines factor analysis and regression or path analysis. The technique is often based on theoretical constructs and represented by hidden factors. It is useful as a common and convenient model for statistical analysis and incorporates traditional multivariate processes; for example regression and factor analysis. SEM outputs are often presented in the form of a graphical path diagram and a set of matrix equations represents the model. SEM has developed from path analysis and it is still conventional practice to begin the analysis with a graphic path diagram. Sewall Wright, who invented SEM in 1921, represented a path diagram consisting of boxes and circles linked with arrows. Square or rectangular boxes represented measured or observed variables while circles represented latent or unmeasured variables. Single-headed arrows illustrate causal relationships with the variable at the end of the arrow, making it point. Correlations and covariances without cause are represented by double headed arrows (Hox & Bechger, 1998).

3.10 **Conclusion**

This chapter discussed the research methodology and the way in which the data are collected and analysed. A summary of the alpha scores and the reliability and validity of the pilot study was presented. The reliability and validity of measurement scales are particularly important in research. Thus, if an instrument is not valid, then it is not accurate to measure the construct with it; if it is not reliable, then it does not measure what it is intended to measure. The validity and reliability of the measurement scales used in this study will be examined in the next chapter in addition to the presentation of the findings of the study.
CHAPTER 4: PRESENTATION OF RESULTS

4.1 Introduction

Chapter four presents, the results of the responses which have been analysed and interpreted using the methodology outlined in chapter 3. A description of the data collection methods and research instrument was also provided in that prior chapter. The collected data were used to analyse and test the proposed hypotheses outlined in chapter 2. The demographic profile of the respondents is presented graphically, below, with a short discussion. This is followed by the individual responses to the surveys, a discussion of the reliability of the scales and lastly, by the testing of the hypotheses; appropriate models are presented.

4.2 Demographic profile of respondents

4.2.1 Sample Demographics

The overall response rate was 178 respondents; however, seven responses were incomplete and were therefore removed, and so the final sample was 171 business students at university. Of the 171 respondents, 59% were male, 40% were female and the other 1% did not disclose their gender. The respondents represent university students ranging from their first to final year of study.
Figure 6: Respondent gender

African students (74.9%) made up most of the sample, followed by White (14%), Indian (7%) and Coloured (2.9%) students. Of the respondents, 0.6% indicated that they were from an ethnic group not specified on the questionnaire and a further 0.6% did not disclose their ethnic group.

Figure 7: Respondent ethnic group
More than half of the respondents (57%) had obtained an undergraduate degree as their highest level of education while 19% had Diplomas and 17% had postgraduate degrees. The other 7% did not specify their highest level of education.

![Respondent highest level of education](image)

**Figure 8: Respondent highest level of education**

**Table 7: Descriptive statistics - Age**

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age in years</td>
<td>154</td>
<td>17</td>
<td>48</td>
<td>25.18</td>
<td>5.131</td>
</tr>
</tbody>
</table>

The average age of the respondents was 25.18 years with the youngest being 17 and the oldest being 48. Seventeen students did not state their age. The age distribution is shown in the histogram below;
Figure 9: Age distribution

4.3 Control variables

In order to ensure that the results were not biased in any way, control variables were included to investigate whether they influenced the findings. Control variables are constant and do not change throughout the analysis process; they are introduced to assist with the interpretation of, and understanding of relationships between variables (Cooper & Schindler, 2014). These variables were chosen in order to isolate the influence of demographic factors and by accounting for their influence, the same study can be replicated.

The control variables used in this study were age, race, gender and qualification. The following section describes the analyses conducted to determine whether the control variables had any influence on social entrepreneurial intent (SEI). Previous studies have utilised these control variables in order to determine their influence in intention models; examples of these are Malebana (2014), Herrington et.al. (2014) and Bosma and Levie (2010). The GEM reports have, over the past years, focused on profiling the
respondents demographically in order to track the changes in total entrepreneurial activity over the years. Researchers have also examined the relationships between demographic profiles and intentions, Viviers et al. (2012) have investigated the relationships between age, gender, race and level of education and social EI as well gender.

4.3.1 Age

A Pearson’s correlation was conducted to establish whether any relationship exists between age and SEI. The results are shown below.

**Table 8 : Pearson’s Correlation: age and social entrepreneurial intent**

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Age in years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Entrepreneurial Intent</td>
<td>Pearson Correlation 0.014</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed) 0.858</td>
</tr>
<tr>
<td></td>
<td>N 154</td>
</tr>
</tbody>
</table>

It can be noted that the relationship between age and SEI \( (r = 0.014, \ p\text{-value} = 0.858) \) is not statistically significant since the p-value is greater than 0.05.

4.3.2 Race

An analysis of variance (ANOVA) was conducted to assess whether the SEI rating differed by race. The results are shown below;

**Table 9 : Social entrepreneurial intent by race**

<table>
<thead>
<tr>
<th>Social Entrepreneurial Intent</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indian</td>
<td>12</td>
<td>3.35</td>
<td>.670</td>
</tr>
<tr>
<td>Coloured</td>
<td>5</td>
<td>1.73</td>
<td>.776</td>
</tr>
<tr>
<td>Black</td>
<td>128</td>
<td>3.49</td>
<td>1.011</td>
</tr>
<tr>
<td>White</td>
<td>24</td>
<td>2.62</td>
<td>.923</td>
</tr>
<tr>
<td>Total</td>
<td>169</td>
<td>3.30</td>
<td>1.049</td>
</tr>
</tbody>
</table>

ANOVA
Social Entrepreneurial Intent (SEI)

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>27.998</td>
<td>3</td>
<td>9.333</td>
<td>9.826</td>
<td>.000</td>
</tr>
<tr>
<td>Within Groups</td>
<td>156.720</td>
<td>165</td>
<td>.950</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>184.717</td>
<td>168</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note that two respondents did not disclose their race, resulting in a sample size of 169. The Black respondents (mean = 3.49) had the highest rating of the SEI, followed by Indian (mean = 3.35), White (mean = 2.62) and the lowest was recorded among the Coloureds (mean = 1.73). The p-value of the F-test in the ANOVA table (p-value = 0.000) is lower than 0.05 and hence the differences among the different races were significant. Table 4.4 below shows which race groups were significantly different.

Table 10: Multiple comparisons of social entrepreneurial intent by race

<table>
<thead>
<tr>
<th>Multiple Comparisons</th>
<th>Dependent Variable: Social Entrepreneurial Intent</th>
<th>Dunnett T3</th>
</tr>
</thead>
<tbody>
<tr>
<td>(I) Q8 Ethnic group</td>
<td>(J) Q8 Ethnic group</td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>Coloured</td>
<td>1.62*</td>
</tr>
<tr>
<td></td>
<td>Black</td>
<td>-.14</td>
</tr>
<tr>
<td></td>
<td>White</td>
<td>.73</td>
</tr>
<tr>
<td>Coloured</td>
<td>Indian</td>
<td>-1.62*</td>
</tr>
<tr>
<td></td>
<td>Black</td>
<td>-1.76*</td>
</tr>
<tr>
<td></td>
<td>White</td>
<td>-.89</td>
</tr>
<tr>
<td>Black</td>
<td>Indian</td>
<td>.14</td>
</tr>
<tr>
<td></td>
<td>Coloured</td>
<td>1.76*</td>
</tr>
<tr>
<td></td>
<td>White</td>
<td>.87*</td>
</tr>
<tr>
<td>White</td>
<td>Indian</td>
<td>-.73</td>
</tr>
<tr>
<td></td>
<td>Coloured</td>
<td>.89</td>
</tr>
<tr>
<td></td>
<td>Black</td>
<td>-.87*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mean Difference (I-J)</th>
<th>Std. Error</th>
<th>Sig.</th>
<th>95% Confidence Interval</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coloured</td>
<td>.397</td>
<td>.026</td>
<td>.210</td>
<td>3.027</td>
<td></td>
</tr>
<tr>
<td>Black</td>
<td>.213</td>
<td>.984</td>
<td>-.770</td>
<td>.494</td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>.270</td>
<td>.063</td>
<td>-.027</td>
<td>1.490</td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>.397</td>
<td>.026</td>
<td>-.3.225</td>
<td>-.210</td>
<td></td>
</tr>
<tr>
<td>Black</td>
<td>.358</td>
<td>.026</td>
<td>-3.225</td>
<td>-.288</td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>.395</td>
<td>.263</td>
<td>-2.290</td>
<td>.515</td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>.213</td>
<td>.984</td>
<td>-.4.94</td>
<td>.770</td>
<td></td>
</tr>
<tr>
<td>Coloured</td>
<td>.358</td>
<td>.026</td>
<td>-.288</td>
<td>3.225</td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>.209</td>
<td>.001</td>
<td>.289</td>
<td>1.450</td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>.270</td>
<td>.063</td>
<td>-.1.490</td>
<td>-.289</td>
<td></td>
</tr>
<tr>
<td>Coloured</td>
<td>.395</td>
<td>.263</td>
<td>-1.490</td>
<td>2.290</td>
<td></td>
</tr>
<tr>
<td>Black</td>
<td>.209</td>
<td>.001</td>
<td>-.1.490</td>
<td>-.289</td>
<td></td>
</tr>
</tbody>
</table>

* The mean difference is significant at the 0.05 level.

The pairwise comparison shows that the Black students had a significantly higher SEI rating compared to Coloured (mean difference = 1.76, p-value = 0.026) and White (mean difference = 0.87, p-value = 0.001). The Indians had a
significantly higher SEI compared to Coloured (means difference = 1.62, p-value = 0.026).

### 4.3.3 Qualification

An analysis of variance (ANOVA) was also conducted to assess whether qualification had any influence on SEI rating. The results are shown below:

**Table 11: ANOVA of social entrepreneurial intent by qualification**

<table>
<thead>
<tr>
<th>Qualification</th>
<th>N</th>
<th>SEI Mean</th>
<th>SEI Std Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>No degree or Diploma</td>
<td>4</td>
<td>3.44</td>
<td>0.435</td>
</tr>
<tr>
<td>Diploma</td>
<td>32</td>
<td>3.46</td>
<td>0.903</td>
</tr>
<tr>
<td>Undergraduate degree</td>
<td>97</td>
<td>3.18</td>
<td>1.149</td>
</tr>
<tr>
<td>Postgraduate degree</td>
<td>30</td>
<td>3.57</td>
<td>0.899</td>
</tr>
<tr>
<td>Total</td>
<td>163</td>
<td>3.31</td>
<td>1.056</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Source</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>4.650</td>
<td>3</td>
<td>1.550</td>
<td>1.400</td>
<td>.245</td>
</tr>
<tr>
<td>Within Groups</td>
<td>176.017</td>
<td>159</td>
<td>1.107</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>180.667</td>
<td>162</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The results show that the p-value of the F-test in the ANOVA table was greater than 0.05 (p-value = 0.245) implying that there is no association between qualification and SEI. Eight respondents did not specify their qualification.

### 4.3.4 Gender

An independent sample t-test was conducted to assess whether gender impacts SEI.
Table 12: T-test of social entrepreneurial intent by gender

<table>
<thead>
<tr>
<th></th>
<th>Gender</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Entrepreneurial Intent</td>
<td>Male</td>
<td>100</td>
<td>3.46</td>
<td>.946</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>69</td>
<td>3.09</td>
<td>1.161</td>
</tr>
</tbody>
</table>

**Independent Samples Test**

<table>
<thead>
<tr>
<th></th>
<th>Levene's Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td>Social Entrepreneurial Intent</td>
<td>Equal variances assumed</td>
<td>4.389</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>2.222</td>
</tr>
</tbody>
</table>

The male respondents had a mean of 3.46 compared to 3.09 for female respondents. The p-value for the t-test was 0.028 which is less than 0.05. This implies that the mean SEI for male respondents was significantly higher than that of their females.

4.4 Measurement scales

**Independent variables**

The independent variables were empathy, desirability of control (self-efficacy), perceived desirability, perceived feasibility and exposure.

4.4.1 **Empathy**

Cronbach’s Alpha was used to test the reliability of the empathy scale, after reversing the scale for the variables 5-10. The reliability analysis produced a Cronbach’s Alpha Coefficient value of 0.703, which shows a very good reliability of the scale since it is greater than 0.7.

This implies that the 15 items measuring Empathy could be grouped together to form a summated scale for Empathy.
4.4.2 Perceived feasibility

The Perceived feasibility scale was measured using a 5-item scale which had a Cronbach’s Alpha Coefficient value of 0.674. This is after the scale for “How certain of success are you?” and “How overworked would you be?” had been reversed. Although the Cronbach’s Alpha value is less than 0.7, it is still acceptable since it is greater than the minimum acceptable level of 0.5. This means that the five items could be combined together to form a summated scale for perceived feasibility.

4.4.3 Perceived desirability

The Perceived desirability scale was measured using a 3-item scale as follows: love – hate variable; very tense - not tense at all; and not enthusiastic at all – very enthusiastic. The Cronbach’s Alpha Coefficient value was 0.665. Although the Cronbach’s Alpha value is less than 0.7, it is still acceptable since it is greater than the minimum acceptable level of 0.5 (Coldwell & Fried, 2012). This means that the 3-item scale could be combined together to form a summated scale for perceived desirability.

4.4.4 Desirability of Control Scale (Self-efficacy)

The Desirability of Control Scale had 19 items measured on a 5-point Likert scale. The answers for all the items in this variable were reversed.

The Cronbach’s Alpha for the scale was 0.806 which shows that there is a very high reliability within the scale. A summated scale for Desirability of Control was computed by calculating the sum of the 19 items within the scale. The higher the score, the more a student feels in control of the events in his or her life.

4.4.5 Social Entrepreneurial Intent

Social Entrepreneurial Intent (SEI), the dependent variable, was measured using a 9-item scale which had a Cronbach’s Alpha Coefficient value of 0.955. This means that there was a very high level of reliability within the scale. This
implies that the nine items could be combined together to form a summated scale. The summated scale included all nine items of the construct.

The reliability scores for the multi-item scales are summarised in the table below.

**Table 13 : Reliability of the scale**

<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empathy</td>
<td>15</td>
<td>0.703</td>
</tr>
<tr>
<td>Desirability of Control Scale</td>
<td>19</td>
<td>0.806</td>
</tr>
<tr>
<td>Perceived Desirability</td>
<td>3</td>
<td>0.665</td>
</tr>
<tr>
<td>Perceived Feasibility</td>
<td>5</td>
<td>0.674</td>
</tr>
<tr>
<td>Social Entrepreneurial Intent</td>
<td>9</td>
<td>0.955</td>
</tr>
</tbody>
</table>

It can be noted that the constructs had high Cronbach's Alpha above 0.7 except for Perceived Desirability and Perceived Feasibility. Nevertheless, the scales of the two latter constructs are still acceptable as their Alpha values were greater than the minimum acceptable value of 0.5 (Coldwell & Fried, 2012).

The descriptive statistics for summated scales for each of the five constructs are presented in table 4.8:

**Table 14 : Descriptive Statistics**

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Desirability</td>
<td>171</td>
<td>1.00</td>
<td>5.00</td>
<td>4.073</td>
<td>1.195</td>
<td>-1.456</td>
<td>1.179</td>
</tr>
<tr>
<td>Social Entrepreneurial Intent</td>
<td>171</td>
<td>1.00</td>
<td>5.00</td>
<td>3.312</td>
<td>1.048</td>
<td>-.502</td>
<td>-.530</td>
</tr>
<tr>
<td>Perceived Feasibility</td>
<td>171</td>
<td>1.00</td>
<td>4.60</td>
<td>3.061</td>
<td>.636</td>
<td>-.382</td>
<td>.590</td>
</tr>
<tr>
<td>Empathy</td>
<td>171</td>
<td>1.20</td>
<td>4.07</td>
<td>2.788</td>
<td>.467</td>
<td>-.142</td>
<td>.658</td>
</tr>
<tr>
<td>Entrepreneurial Exposure</td>
<td>171</td>
<td>.00</td>
<td>4.00</td>
<td>1.754</td>
<td>.893</td>
<td>-.046</td>
<td>-.233</td>
</tr>
<tr>
<td>Self-efficacy</td>
<td>171</td>
<td>51.00</td>
<td>92.00</td>
<td>72.719</td>
<td>8.641</td>
<td>.065</td>
<td>-.410</td>
</tr>
</tbody>
</table>

Perceived Desirability (mean = 4.073) was rated higher than Social Entrepreneurial Intent (mean = 3.312), Perceived Feasibility (mean = 3.061) and Empathy (mean = 2.788). The average Entrepreneurial Exposure was
1.754 out of 4 and the self-efficacy was on average 72.719 with a standard deviation of 8.641.

The kurtosis and skewness for all the constructs are within the acceptable limits of between -2 and +2 for normality.

The Pearson’s Correlation coefficients among the variables are shown in the table 4.9 below:

**Table 15 : Correlation Matrix**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pearson Correlation</strong></td>
<td>1</td>
<td>-.736**</td>
<td>.048</td>
<td>.012</td>
<td>.099</td>
<td>.071</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td></td>
<td>.000</td>
<td>.531</td>
<td>.880</td>
<td>.200</td>
<td>.200</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).**

A significant positive correlation was noted between Perceived Desirability and Entrepreneurial Exposure (r = 0.276), Perceived Feasibility and Entrepreneurial Exposure (r = 0.351), Perceived Desirability and Self-efficacy (r = 0.160), Social Entrepreneurial Intent and Entrepreneurial Exposure (r = 0.328), Social Entrepreneurial Intent and Perceived Desirability (r = 0.677) and between Social Entrepreneurial Intent and Perceived Feasibility (r = 0.618).

There was negative and significant correlation between Empathy and Entrepreneurial Exposure (r = -0.736). The rest of the relationships were not significant.
4.5 The Structural Equation model (SEM)

A structural equation model, shown below, was fitted to test the hypotheses.

![Model with Standardised estimates](image)

**Figure 10 : Model with Standardised estimates**

It can be noted from Table 4.10 that the following relationships are all positive and significant:

- Empathy and Perceived Feasibility ($\beta = 0.758$, $t=8.583$, p-value < 0.001);
- Exposure and Perceived Feasibility ($\beta = 0.902$, $t=10.187$, p-value < 0.001);
- Perceived Feasibility and Perceived Desirability ($\beta = 0.494$, $t=6.051$, p-value < 0.001);
- Perceived Feasibility and SEI ($\beta = 0.347$, $t=5.504$, p-value < 0.001);
- Perceived Desirability and SEI ($\beta = 0.481$, $t=7.647$, p-value < 0.001).

On the other hand the following relationships are not significant:
Self-efficacy and Perceived Feasibility ($\beta = 0.079$, $t=1.319$, $p$-value=0.187);

Empathy and Perceived Desirability ($\beta = 0.072$, $t=0.636$, $p$-value=0.525); Exposure and Perceived Desirability ($B=0.151$, $t=1.262$, $p$-value=0.207); and Self-efficacy and Perceived Desirability ($\beta = 0.049$, $t=0.755$, $p$-value=0.45).

Table 16: Regression Weights

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
<th>C.R.</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unstandardized</td>
<td>Standardised</td>
<td>((\beta))</td>
</tr>
<tr>
<td>Perceived Feasibility &lt;--- Empathy</td>
<td>1.033</td>
<td>0.758</td>
<td>8.58</td>
</tr>
<tr>
<td>Perceived Feasibility &lt;--- Exposure</td>
<td>0.642</td>
<td>0.902</td>
<td>10.18</td>
</tr>
<tr>
<td>Perceived Feasibility &lt;--- Self-efficacy</td>
<td>0.006</td>
<td>0.079</td>
<td>1.319</td>
</tr>
<tr>
<td>Perceived Desirability &lt;--- Empathy</td>
<td>0.183</td>
<td>0.072</td>
<td>0.636</td>
</tr>
<tr>
<td>Perceived Desirability &lt;--- Exposure</td>
<td>0.202</td>
<td>0.151</td>
<td>1.262</td>
</tr>
<tr>
<td>Perceived Desirability &lt;--- Self-efficacy</td>
<td>0.007</td>
<td>0.049</td>
<td>0.755</td>
</tr>
<tr>
<td>Perceived Desirability &lt;--- Perceived Feasibility</td>
<td>0.928</td>
<td>0.494</td>
<td>6.051</td>
</tr>
<tr>
<td>Social Entrepreneurial Intent &lt;--- Perceived Feasibility</td>
<td>0.571</td>
<td>0.347</td>
<td>5.504</td>
</tr>
<tr>
<td>Social Entrepreneurial Intent &lt;--- Perceived Desirability</td>
<td>0.422</td>
<td>0.481</td>
<td>7.647</td>
</tr>
</tbody>
</table>

The multiple correlations show that the variables in the model could explain 40.7% of variation in Perceived Feasibility, 32.8% of variation in Perceived Desirability and 54% of variation in Social Entrepreneurial Intent as shown in the table below.

Table 17: Squared Multiple Correlations

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Feasibility</td>
<td>0.407</td>
</tr>
<tr>
<td>Perceived Desirability</td>
<td>0.328</td>
</tr>
<tr>
<td>Social Entrepreneurial Intent</td>
<td>0.540</td>
</tr>
</tbody>
</table>
Table 18 : Standardised Total, direct and indirect effects

<table>
<thead>
<tr>
<th></th>
<th>Perceived Feasibility</th>
<th>Perceived Desirability</th>
<th>Social Entrepreneurial Intent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-efficacy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Effects</td>
<td>0.079</td>
<td>0.088</td>
<td>0.070</td>
</tr>
<tr>
<td>Direct Effects</td>
<td>0.079</td>
<td>0.049</td>
<td>0.000</td>
</tr>
<tr>
<td>Indirect Effects</td>
<td>0.000</td>
<td>0.039</td>
<td>0.070</td>
</tr>
<tr>
<td>Exposure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Effects</td>
<td>0.902</td>
<td>0.597</td>
<td>0.600</td>
</tr>
<tr>
<td>Direct Effects</td>
<td>0.902</td>
<td>0.151</td>
<td>0.000</td>
</tr>
<tr>
<td>Indirect Effects</td>
<td>0.000</td>
<td>0.446</td>
<td>0.600</td>
</tr>
<tr>
<td>Empathy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Effects</td>
<td>0.758</td>
<td>0.446</td>
<td>0.478</td>
</tr>
<tr>
<td>Direct Effects</td>
<td>0.758</td>
<td>0.072</td>
<td>0.000</td>
</tr>
<tr>
<td>Indirect Effects</td>
<td>0.000</td>
<td>0.375</td>
<td>0.478</td>
</tr>
<tr>
<td>Perceived Feasibility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Effects</td>
<td>0.000</td>
<td>0.494</td>
<td>0.584</td>
</tr>
<tr>
<td>Direct Effects</td>
<td>0.000</td>
<td>0.494</td>
<td>0.347</td>
</tr>
<tr>
<td>Indirect Effects</td>
<td>0.000</td>
<td>0.000</td>
<td>0.238</td>
</tr>
<tr>
<td>Perceived Desirability</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Effects</td>
<td>0.000</td>
<td>0.000</td>
<td>0.481</td>
</tr>
<tr>
<td>Direct Effects</td>
<td>0.000</td>
<td>0.000</td>
<td>0.481</td>
</tr>
<tr>
<td>Indirect Effects</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
</tbody>
</table>

4.6 Results in relation to Hypotheses

4.6.1 Results in relation to Hypothesis 1

Hypothesis 1 (H1): A positive relationship exists between empathy and perceived feasibility of establishing a social venture.

H0: There is no relationship between empathy and perceived feasibility of establishing a social venture.

H1: A positive relationship exists between empathy and perceived feasibility of establishing a social venture.

The results from Structural Equation Modelling (SEM) show that the relationship between Empathy and Perceived Feasibility ($\beta = 0.758$, $t=8.583$, p-value < 0.001) is positive since the standardised coefficient of empathy is greater than zero. Thus, the null hypothesis is rejected in favour of the alternative...
hypothesis. It is concluded that a positive relationship exists between empathy and perceived feasibility of establishing a social venture.

4.6.2 Results in relation to Hypothesis 2

$H_2$: A positive relationship exists between empathy and perceived desirability of establishing a social venture.

$H_0$: There is no relationship between empathy and perceived desirability of establishing a social venture.

$H_2$: A positive relationship exists between empathy and perceived desirability of establishing a social venture.

It can be noted that the relationship between Empathy and Perceived Desirability ($\beta = 0.072$, $t=0.636$, p-value=0.525), is positive since the standardised coefficient of empathy is greater than zero. Thus, the null hypothesis is not rejected and it is concluded that there is no relationship between empathy and perceived desirability of establishing a social venture.

4.6.3 Results in relation to Hypothesis 3

$H_3$: A positive relationship exists between exposure and perceived feasibility of establishing a social venture.

$H_0$: There is no relationship between exposure and perceived feasibility of establishing a social venture.

$H_3$: A positive relationship exists between exposure and perceived feasibility of establishing a social venture.

The results show that the relationship between Exposure and Perceived Feasibility ($\beta = 0.902$, $t=10.187$, p-value< 0.001), is positive since the standardised coefficient of empathy is greater than zero; the relationship is also significant since the p-value is less than 0.05. It is therefore concluded that a positive relationship exists between exposure and perceived feasibility of establishing a social venture.
4.6.4 Results in relation to Hypothesis 4

H4: A positive relationship exists between exposure and perceived desirability of establishing a social venture.

H0: There is no relationship between exposure and perceived desirability of establishing a social venture.

The results of SEM indicate that the relationship between Exposure and Perceived Desirability ($B=0.151$, $t=1.262$, $p$-value=0.207), is positive since the standardised coefficient of empathy is greater than zero. However, it is not significant since the $p$-value is greater than 0.05. Thus, the null hypothesis is not rejected and it is concluded that there is no relationship between exposure and perceived desirability of establishing a social venture.

4.6.5 Results in relation to Hypothesis 5

H5: A positive relationship exists between self-efficacy and perceived feasibility of establishing a social venture.

H0: There is no relationship between self-efficacy and perceived feasibility of establishing a social venture.

H5: A positive relationship exists between self-efficacy and perceived feasibility of establishing a social venture.

It can be noted that the relationship between Self-efficacy and Perceived Feasibility ($\beta = 0.079$, $t=1.319$, $p$-value=0.187), is positive since the standardised coefficient of empathy is greater than zero. However, the relationship is not significant since the $p$-value is greater than 0.05. It is concluded that there is no relationship between self-efficacy and perceived feasibility of establishing a social venture.
4.6.6 Results in relation to Hypothesis 6

H6: A positive relationship exists between self-efficacy and perceived desirability of establishing a social venture.

H0: There is no relationship between self-efficacy and perceived desirability of establishing a social venture.

H6: A positive relationship exists between self-efficacy and perceived desirability of establishing a social venture.

It can be noted that the relationship between Self-efficacy and Perceived Desirability ($\beta = 0.049$, $t=0.755$, $p$-value=0.45), is positive since the standardised coefficient of empathy is greater than zero. However, the relationship is not significant since the $p$-value is greater than 0.05. Therefore, there is no relationship between self-efficacy and perceived desirability of establishing a social venture.

4.6.7 Results in relation to Hypothesis 7

H7: A positive relationship exists between perceived feasibility and perceived desirability of establishing a social venture.

H0: There is no relationship between perceived feasibility and perceived desirability of establishing a social venture.

H7: A positive relationship exists between perceived feasibility and perceived desirability of establishing a social venture.

The results show that the relationship between Perceived Feasibility and Perceived Desirability ($\beta = 0.494$, $t=6.051$, $p$-value < 0.001), is positive since the standardised coefficient of empathy is greater than zero. The relationship is significant since the $p$-value is less than 0.05. It is therefore concluded that a positive relationship exists between perceived feasibility and perceived desirability of establishing a social venture.
4.6.8 Results in relation to Hypothesis 8

H8: A positive relationship exists between perceived feasibility and intention to establish a social venture.

H0: There is no relationship between perceived feasibility and intention to establish a social venture.

H8: A positive relationship exists between perceived feasibility and intention to establish a social venture.

It can be noted that the relationship between Perceived Feasibility and Social Entrepreneurial Intent ($\beta = 0.347$, $t=5.504$, p-value $< 0.001$) is positive and significant since the standardised coefficient of empathy is greater than zero and the p-value is less than 0.05. It is therefore concluded that a positive relationship exists between perceived feasibility and intention to establish a social venture.

4.6.9 Results in relation to Hypothesis 9

H9: A positive relationship exists between perceived desirability and intention to establish a social venture.

H0: There is no relationship between perceived desirability and intention to establish a social venture.

H9: A positive relationship exists between perceived desirability and intention to establish a social venture.

The results show that the relationship between Perceived Desirability and Social Entrepreneurial Intent ($\beta = 0.481$, $t=7.647$, p-value $< 0.001$), is positive since the standardised coefficient of empathy is greater than zero. It is also significant since the p-value is less than 0.05. It is therefore concluded that a positive relationship exists between perceived desirability and intention to establish a social venture.
4.7 Conclusion

This chapter presented the results of the findings of the level of SEI in a selected sample of students in universities in South Africa. There were some overall positive and significant findings and the following table summarises the results of the hypothesised relationships. Thus, of the nine hypothesised relationships, four were found to be insignificant. The demographics of the respondents were analysed using descriptive statistics while SEM was used to analyse the hypothesised relationships. The following chapter provides a discussion of the findings pertaining to each hypothesis.

Table 19 : Summary of the results

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>$\beta$</th>
<th>t</th>
<th>P-value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 Empathy ---&gt; Perceived Feasibility</td>
<td>0.758</td>
<td>8.583</td>
<td>***</td>
<td>Supported</td>
</tr>
<tr>
<td>H3 Exposure ---&gt; Perceived Feasibility</td>
<td>0.902</td>
<td>10.187</td>
<td>***</td>
<td>Supported</td>
</tr>
<tr>
<td>H5 Self-efficacy ---&gt; Perceived Feasibility</td>
<td>0.079</td>
<td>1.319</td>
<td>0.187</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H2 Empathy ---&gt; Perceived Desirability</td>
<td>0.072</td>
<td>0.636</td>
<td>0.525</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H4 Exposure ---&gt; Perceived Desirability</td>
<td>0.151</td>
<td>1.262</td>
<td>0.207</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H6 Self-efficacy ---&gt; Perceived Desirability</td>
<td>0.049</td>
<td>0.755</td>
<td>0.45</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H7 Perceived Feasibility ---&gt; Perceived Desirability</td>
<td>0.494</td>
<td>6.051</td>
<td>***</td>
<td>Supported</td>
</tr>
<tr>
<td>H8 Perceived Feasibility ---&gt; Social Entrepreneurial Intent</td>
<td>0.347</td>
<td>5.504</td>
<td>***</td>
<td>Supported</td>
</tr>
<tr>
<td>H9 Perceived Desirability ---&gt; Social Entrepreneurial Intent</td>
<td>0.481</td>
<td>7.647</td>
<td>***</td>
<td>Supported</td>
</tr>
</tbody>
</table>
CHAPTER 5: DISCUSSION OF RESULTS

5.1 Introduction

This chapter follows on from the previous chapter with a discussion of the analysed results. The purpose of this chapter is to explain the findings and relate them to the relevant literature.

5.2 Demographic profile of respondents

Most of the response profile, 59%, were males and 40% were women, leaving 1% of respondents who did not disclose their gender. This is not representative of the overall demographics of the population in South Africa, nor of the university enrolment demographics. Statistics South Africa records that females make up 51% of the population. This relative shortage of women in the sample of students can be attributed to the methodology used (non-probability sampling) to gather the data. The university’s enrolment demographics are more representative of the country’s population demographics; thus, there are more female than male students enrolled at South African universities (Govinder, Zondo & Makgobo, 2014).

Most respondents who participated in the survey were African students, followed by White, Indian and Coloured students. Six percent of respondents indicated they were from another ethnic group not specified on the research instrument and a further 0.6% did not disclose their ethnic group. The following section will discuss the relationship between control variables and social entrepreneurial intentions;

5.2.1 Age

The average age of the respondents was 25.18 years with the youngest being 17 and the oldest being 48.

A report released by Statistics South Africa in 2015 indicates that 30.2% of the population are younger than 15 and 8% are over the age of 60, leaving the
balance of the working-age population between the ages of 15 and 60 (Statistics SA, 2015).

The 7th edition of the South African Economic Update focuses on ‘Jobs and South Africa’s changing demographics’ and offers insight into the demographic shift taking place with the exponential growth of the population aged between 15 and 64 years: the working-age group. At the time of the report, 65% of the entire population were in the working-age group which has grown from 11 million since 1994 (World Bank, 2015).

A large proportion of school leavers in South Africa have no skills and are unemployable although they are actively seeking employment. As outlined earlier in the study, one of South Africa’s main social challenges is the extraordinarily high levels of unemployment and underemployment, particularly among youth. According to the GEM 2014 report on South Africa, the influence of age on entrepreneurial activity is standard throughout GEM: the age group between 25 and 44 are the most entrepreneurially active, with the 18 – 24 year olds involved in minimal activity and a very sharp decrease in activity after the age of 54 (Herrington et al., 2014).

The 2009 global GEM report showed that individuals between the ages of 18 and 24 are more likely to engage in Social Entrepreneurial Activity (SEA) in most countries. In contrast, Total Entrepreneurial Activity (TEA) and prevalence of early-stage TEA among the same age group are relatively low. Typically, TEA rates are higher among the 18-24 year group and highest among the 35-44 year group. However, this is not the case in South Africa where individuals within the 25-44 year group are more inclined to be engaged in SEA. This is of concern, bearing in mind that a significant number of individuals leave school and do not pursue higher education and form part of the labour force; this is especially relevant when the global trend is for younger individuals, between the ages of 18 and 24, to be more likely to engage in SEA.

Age has been identified in previous research as one of the factors determining the probability of whether a person will establish a new firm (Davidsson, 1995). The writer acknowledges that the relationship between age and the probability
of founding a firm is curvilinear, peaking at approximately 35 years. In this study, an analysis of the results took place to identify any correlation between age and SEI. The analysis confirmed that the relationship is insignificant and that age has no influence on intent to establish a social venture.

5.2.2 Race

Cooper and Denner (1998) suggest any attempt to examine EI without understanding culture or ethnicity may not deal sufficiently with similarities or differences between groups.

An analysis was conducted to assess whether the SEI rating differed by race.

The pairwise comparison showed that the African students had a significantly higher SEI rating than Coloured students. Likewise, the Indian students had a significantly higher SEI rating than the Coloured students. Because of the small size of the sample population, these findings cannot claim to be an accurate measure of the South African population as a whole but they do conform to the findings from the GEM report (2014): thus, early stage opportunity-driven entrepreneurship among African black people is on the increase. A positive increase is also seen among Coloureds and Indians but for White South Africans, a sharp decline in opportunity-driven entrepreneurship is evident, recording the lowest levels of 1.7% (Herrington et al., 2014).

Viviers et al. (2012) also found that respondents who speak African languages displayed more interest than other ethnic groups in establishing a social venture. Brijlal (as cited in Viviers et al., 2012) found that of all population groups in South Africa, African students had the highest level of social responsibility commitment. They felt that business owners should, over and above providing employment, give back to the community.

In their report, Terjesen et al. (2012) did not find any association between race and SEA and that such activity was evenly spread throughout the various population groups.
5.2.3 Qualification

The GEM report found strong associations between individuals’ level of education and their propensity for engaging in SEA. Herrington et al. (2010) believe that education increases the number of entrepreneurs and is also important in creating social entrepreneurs. In 2009, most of the social entrepreneurs had only obtained a matric and had not studied any further (Herrington et al., 2010). Terjesen et al. (2012) confirmed that individuals engaged in higher education were more likely to start their own social ventures and this applied especially in developing countries.

All but a few of the respondents participating in this study already had some form of tertiary education; either a diploma, undergraduate or postgraduate degree. Because of this, an analysis was performed to identify whether there is any relationship between qualification and SEI and if so, whether it is significant. The results show the relationship to be insignificant.

5.2.4 Gender

In a study done by Viviers et al. (2012) there was no evidence of any significant difference between the intentions of male and female students to establish a social enterprise. These authors confirm that their findings were supported by Urban (2008) who found no link between gender and intention to establish social ventures.

In contrast to the findings of Viviers et al. (2012), this study found that men have a higher propensity than their female counterparts to start a social venture. This can only be supported by evidence in the entrepreneurship literature. For example, Crant (1996) found that men are more likely than women to pursue entrepreneurial activities. This is further validated by Herrington et al. (2014) who found that although entrepreneurial activity varies considerably across countries, men are consistently more likely than women to be involved in entrepreneurial activities. This pattern rings true in the field of SE according the 2009 GEM report on SE, which confirms that males are more likely than females to establish social enterprises. The pattern is representative in South
Africa too, where the ratio of male to female entrepreneurial activity is 1.2:1. The last few years have seen a positive increase in female TEA that is opportunity motivated rather than driven by necessity.

The levels of SEA, for men and women, vary significantly across different countries; in some countries, notably Argentina, Israel, and Lebanon, women are more likely to establish a social enterprise (Terjesen et al., 2012).

### 5.3 Discussion in relation to Hypotheses

#### 5.3.1 Discussion in relation to Hypothesis 1

**H1**: A positive relationship exists between empathy and perceived feasibility of establishing a social venture.

The results show this relationship to be both positive and significant and therefore the null hypothesis was rejected.

It is interesting to note that the relationship is significant as there is little empirical evidence suggesting a relationship between empathy and perceived feasibility. Mair and Noboa (2003) propose in their model that empathy is positively associated with perceived social venture desirability. Although the authors did not test the relationship between empathy and perceived feasibility, they do however, suggest that there are several studies in support of empathy and helping responses. Prabhu (1999) argues that social entrepreneurs are motivated by altruism and that their sensitivity to others’ feelings motivates individuals to establish social enterprises. Mair and Noboa (2003) argue that while empathy is important it is not a sufficient condition. An explanation for the difference in results of the findings could be attributed to the context. In summary, the results indicate that people with high levels of empathy are more likely to act on their feeling of helping others or a targeted group of people: this in turn influences SEI.
5.3.2 Discussion in relation to Hypothesis 2

H2: A positive relationship exists between empathy and perceived desirability of establishing a social venture.

The results show that while a positive relationship exists between empathy and perceived desirability to establish a social venture, it is not statistically significant. Therefore the null hypothesis is not rejected and it can be concluded that there is no relationship between empathy and perceived desirability to establish a social venture.

It is interesting to note that in the Ayob et al. (2013) study, the same relationship was also found to be statistically insignificant. The findings in the study do not necessarily conflict with Mair and Noboa’s (2003) suggestion that individuals are more likely to have a desire to help when they can relate to another person’s feelings or emotions; however it is evident that this is not a necessary condition. It is expected that a certain level of empathy is necessary to spark some sense of perceived desirability and ultimately an intention to create a social venture. Literature on research in social entrepreneurship supports the view that individuals who are empathic are motivated to create social enterprises (Mair & Noboa, 2006).

5.3.3 Discussion in relation to Hypothesis 3

H3: A positive relationship exists between exposure and perceived feasibility of establishing a social venture.

The relationship between exposure and perceived feasibility of establishing a social venture is both positive and statistically significant. This finding differs from that of Ayob et al. (2013), who found the relationship to be statistically insignificant. This is noteworthy as the Ayob et al. (2013) study was conducted in Malaysia which is considered to be an emerging economy, as is South Africa.

Krueger (1993) argues that Ajzen-type models presuppose that prior experiences will, indirectly through attitude, have an influence on intentions and perceived controllability. Findings from Krueger’s (1993) study of business
students at university reflected a positive relationship between the students’ prior entrepreneurial exposure (for instance, parents establishing new businesses) and perceived feasibility. This argument is further supported by Drennan, Kennedy and Renfrow (2005) who propose that a positive exposure to family and direct experience will influence the degree to which one perceives the feasibility of establishing a venture. Conversely, the authors found that adversity and relocation in children’s lives positively influenced autonomy and an attitude towards self-employment. They conclude that children who have had a difficult or challenging background are more likely to find establishing a new venture both feasible and desirable. Those children are not likely to find the challenges as intimidating as those who have had an easier and more positive upbringing (Drennan et al., 2005).

As highlighted during the earlier discussion of this study’s demographics profile, no direct relationship was found between the qualifications of respondents and their social entrepreneurial intentions. However, the 2009 Global GEM report showed a positive link between levels of education and the propensity to engage in social entrepreneurial activity. At the time of that report, most social entrepreneurs in South Africa had a matric but no further qualifications. This supports the findings of this study. However, research by Remeikiene, Startiene and Dumciuviene (2013) shows that education is useful in imparting knowledge and contributes to the development of personality traits critical for entrepreneurship.

5.3.4 Discussion in relation to Hypothesis 4

H4: A positive relationship exists between exposure and perceived desirability of establishing a social venture.

The results show a positive but insignificant relationship between exposure and perceived desirability.

Krueger (1993) tested the effect of prior exposure to entrepreneurship on perceived desirability and found it to be significant and positive; this writer determined that EI was indirectly influenced by exposure to entrepreneurship.
5.3.5 Discussion in relation to Hypothesis 5

H5: A positive relationship exists between self-efficacy and perceived feasibility of establishing a social venture.

No relationship exists between self-efficacy and perceived feasibility: the results confirm that while the relationship may be positive it is not significant, therefore the null hypothesis is not rejected. Self-efficacy, according to Bandura (1986) is a critical antecedent to the perception of feasibility of the creation of new ventures. Self-efficacy is critical in understanding intentions towards planned behaviour such as entrepreneurship (Krueger & Brazeal, 1994). The GEM report considers the perceived capabilities of individuals to be one of two main factors influencing their intentions to start a venture. The scores recorded in South Africa for perceived capabilities are only half the average for the sub-Saharan African region. As the only efficiency-driven economy in the same region, the scores are also well below those of other efficiency-driven economies elsewhere (Herrington et al., 2014).

It is important to take into account the high levels of fear of failure in South Africa. This factor would impact negatively on the perceived feasibility of starting a new social venture. While fear of failure can be attributed to many factors, including the regulatory environment and societal norms (Herrington et al., 2014), individuals with high levels of self-efficacy will make a greater effort to accomplish their goals (Bandura, 1982). Bandura argues that high perseverance usually results in high performance. On the opposite side of the coin, he then argues that individuals with low self-efficacy and doubts about their capabilities would not try as hard or would even give up altogether.

Kazela (2009) argues that young entrepreneurs in South Africa are risk-averse because of their environment. Also, failure is regarded negatively in the country which leads to embarrassment if a venture is not successful (Fatoki & Chindoga, 2011).

Urban (2008) acknowledges that success is dependent on the motivation of individuals to succeed. Ahwireng-Obeng and Piaray (1999) acknowledge that the legacy of apartheid has damaged the self-esteem and motivation of ethnic
groups in South Africa. Urban et al. (2008), posit that even if individuals have the necessary skills and knowledge, they may lack the self-efficacy to pursue entrepreneurial ventures.

In accordance with the model presented by Mair and Noboa, self-efficacy beliefs trigger an individual’s level of perceived feasibility to pursue social entrepreneurial ventures, but this only applies when combined with other antecedent variables.

**5.3.6 Discussion in relation to Hypothesis 6**

H6: A positive relationship exists between self-efficacy and perceived desirability of establishing a social venture.

As in the case of hypothesis 5, there is no relationship between self-efficacy and perceived desirability of establishing a social enterprise; while the results are positive the relationship is not statistically significant.

It is interesting to note that although this relationship is insignificant, the relationship between perceived feasibility and social EI (hypothesis 8) is significant as well as the interaction between feasibility and desirability (hypothesis 7).

Self-efficacy has been considered to be very relevant to understanding EI (Mair & Noboa, 2003). These writers’ model of social EI measures the relationship between self-efficacy and perceived feasibility only. Ajzen’s Theory of Planned Behaviour (1987) and Shapero’s Model of Entrepreneurial Events (1982) also only investigate the relationship between self-efficacy and feasibility. No evidence was found elsewhere in the literature to support this hypothesis, mainly because the literature on entrepreneurship indicates that self-efficacy is an antecedent of perceived feasibility (Krueger et al., 2000).
5.3.7 Discussion in relation to Hypothesis 7

H7: A positive relationship exists between perceived feasibility and perceived desirability of establishing a social venture.

There is a positive and significant relationship between perceived feasibility and perceived desirability of establishing a social venture.

Entrepreneurial intentions are based on perceptions of desirability and feasibility (Fitzsimmons & Douglas, 2011).

The evidence presented in this study showed that the sampled students had higher perceptions of desirability than perceived feasibility. This finding indicates a strong preference and enthusiasm for starting a social venture but uncertainty regarding the success of that venture and how difficult it actually would be.

Fitzsimmons and Douglas (2011) conducted a study of MBA students across Australia, India, China and Thailand and found that the effect of their perceived feasibility and perceived desirability to be self-employed was negative. The study showed that even if students had lower levels of perceived desirability, they could still have intentions to start a business if their levels of perceived feasibility were high enough. Conversely, these writers also provided evidence showing that individuals with high levels of perceived desirability could also start entrepreneurial actions even though their perceptions of perceived feasibility were low.

Krueger and Brazeal (1994) found that when an individual’s level of desirability and feasibility are both high, EIs are formed. The findings of this research indicate that social EIs are formed even when there is a high desirability/low feasibility combination (Fitzsimmons & Douglas, 2011). The authors argue that levels of perceived desirability and feasibility have to be above a certain threshold in order for EI to be formed. They further found that high values of either one of the two can have the effect of decreasing the influence of the other.
5.3.8 Discussion in relation to Hypotheses 8 and 9

H8: A positive relationship exists between perceived feasibility and intention to establish a social venture.

H9: A positive relationship exists between perceived desirability and intention to establish a social venture

Because of the interconnectedness of the two concepts of perceived desirability and feasibility, these last two hypotheses will be discussed under one heading.

The null hypothesis is rejected in favour of the above hypotheses because results show the relationship between perceived feasibility and SEI. Likewise, the results conclude that a positive relationship exists between perceived desirability and SEI because it is both positive and significant.

Perceived feasibility was defined by Shapero as the degree to which an individual feels personally capable of establishing a venture (Krueger et al., 2000). Shapero and Sokol (1982) recognised perceived feasibility as an important element in forming an entrepreneurial intention. While respondents in this study displayed average levels of perceived feasibility, the intention to create a social venture was still significant.

5.4 Conclusion

In this chapter, the results presented in chapter four were discussed. Overall, the findings show in general that antecedents to perceived feasibility do not necessarily work as antecedents to perceived desirability. Also, levels of perceived desirability are lower than those of perceived feasibility which are encouragingly high. Age, race, qualification and gender were considered as control variables and were analysed to identify to what extent these influence intentions to form a social venture. Interestingly, it was found that age, gender and qualification had no influence on the intention to establish a social venture. It was significant to find that African students demonstrated significantly higher levels of SEI than other ethnic groups / races.
CHAPTER 6: CONCLUSIONS, IMPLICATIONS AND RECOMMENDATIONS

6.1 Introduction

This chapter draws some conclusions, then makes some recommendations, followed by suggestions for future research.

6.2 Summary of Literature review

Social entrepreneurship has the potential to make significant contributions, particularly in South Africa, where poverty and inequality are still critical challenges. A study by Urban (2008) investigated the influence of self-efficacy and skills on social entrepreneurship in South Africa; it found that there were a number of active and future entrepreneurs. Consistent with these findings, Viviers et al. (2012) found that a significant number of students demonstrated a preference towards social entrepreneurship. These findings, together with the findings of this research, provide a strong case for examining the narrative of social entrepreneurship in South Africa. The challenges and obstacles facing social entrepreneurs provide opportunities for innovative problem solving.

In common with most developing countries, South Africa faces significant unemployment and underemployment, poverty and other social problems; these are all negatively impacting on the growth of the economy and the advancement of the country as a whole (Karanda & Toledano, 2012). Entrepreneurs, globally, have come to be respected as driving forces of economic development and advancement (Dacin et al., 2011); likewise, social entrepreneurs are considered to be change agents (Dees & Economy, 2001) and therefore identifying and developing potential entrepreneurs in a developing country such as South Africa only seems appropriate.

Empirical research indicated that self-efficacy (Urban, 2008), empathy, exposure (Malebana & Swanepoel, 2014) were the individual factors which influenced the formation of SEI. Perceptions of feasibility and desirability were
also found to have significant relationships with SEI. Mair and Naboa’s 2006 model identifies cognitive and enabling factors that influence perceived desirability and feasibility of social venture creation. South Africa is characterised by significant inequalities and government and in some instances, NGOs have not delivered (Urban, 2008).

6.3 Summary of results

This study yielded some interesting results and while the findings are not representative of all students in South African universities or of the population in South Africa as a whole, it does provide some insight into the intentions of students currently at universities as far as establishing social ventures is concerned. The study does so by analysing the antecedents: empathy, exposure and self-efficacy to perceived feasibility and perceived desirability to establish social ventures resulting in SEI.

In order to conduct the research, the number of respondents had to be large enough for statistically valid conclusions to be drawn. Most of South Africa’s population are between the ages of 16 and 64, but students at university were considered to be appropriate respondents as studying is not limited to age. In fact, the youngest and oldest respondents in the study were 17 and 48 respectively. A total of 171 respondents participated in the study of whom most were African Black students; they fairly represented the demographics of the country. Information was gained through a structured questionnaire distributed both physically and electronically. Structural Equation Modelling was the technique used to test the hypothesised relationships.

The findings did not all coincide with current entrepreneurship literature although significant relationships were found. Thus, there is a positive relationship between an individual’s level of empathy and perceived feasibility of establishing a social venture (Hypothesis 1). There is a positive relationship between an individual’s prior exposure and perceived feasibility of establishing a social enterprise (Hypothesis 3); there is a positive relationship between perceived feasibility and perceived desirability of establishing a social venture
(Hypothesis 7). A positive relationship exists between perceived desirability and intention to establish a social venture (Hypothesis 9). The table below summarises these four significant relationships.

**Table 20: Summary of key findings**

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>A positive relationship exists between empathy and perceived feasibility of establishing a social venture.</td>
</tr>
<tr>
<td>H3</td>
<td>A positive relationship exists between exposure and perceived feasibility of establishing a social venture.</td>
</tr>
<tr>
<td>H7</td>
<td>A positive relationship exists between perceived feasibility and perceived desirability of establishing a social venture.</td>
</tr>
<tr>
<td>H9</td>
<td>A positive relationship exists between perceived desirability and intention to establish a social venture.</td>
</tr>
</tbody>
</table>

### 6.4 Limitations

The focus of this study was on identifying SEI potentiality through examining its antecedents. As at 2011, there were approximately two million students in South Africa who were enrolled for public or private tertiary education and training programmes (Statistics SA, 2011). The small size of the sample used in the study completely limits the generalisability of the findings. While this study requested respondents to indicate their field of study, no information was obtained on whether students in the various disciplines have higher or lower intentions to form social ventures. The respondents from the universities are a select few, attending the mainstream universities in the country. A survey of more universities as well as Further Education and Training (FET) colleges would also provide more insight into the levels of SEI in South Africa. The current sample size revealed only a glimpse of SEI among South African students.
6.5 Implications and Recommendations

South Africa has only recently started exploring social entrepreneurship (SE) and according to Kringe (2015), the debate for and against it is intensifying. Social entrepreneurship is not a magic bullet and may not immediately be a viable solution to unemployment (Cook et al., 2003); nevertheless, it does offer the potential of a new, more sustainable and efficient way of tackling some of the social problems that South Africa faces. However, drawing on the findings of this study, among a few other recommendations, the main suggestion is that steps should be taken to make SE more celebrated and desirable; by doing so, this would stimulate more interest in SE among youth in the country.

More social entrepreneurs are emerging and offering alternative delivery methods for services and products. Ashoka celebrates social entrepreneurs and the work they do. Since 1991, they have gained 110 elected followers in South Africa (Ashoka, 2014). Ashoka has come to be the largest network of social entrepreneurs from all over the world. Bill Drayton founded Ashoka in 1980 and today, the foundation has close on 3000 Ashoka fellows from countries across the globe. The foundation assists with start-up capital and support to people who are committed to changing the communities in which they live. Ashoka introduced social entrepreneurship and has in place worldwide partnerships within various sectors who seek out entrepreneurial talent and individuals who have innovative and practical ways of solving social ills (Ashoka).

Social entrepreneurship is gaining ground in South Africa and business schools (including GIBS, WITS and Regents) are including SE in their entrepreneurship curriculum and have become hubs to stimulate entrepreneurship. This has been very influential in developing students’ intentions to become entrepreneurs. The inclusion of SE in the curriculum is positive and progressive as according to Urban (2008), competencies can be cultivated and developing skills and training for SE should be mandatory. However, in the context of entrepreneurship, the education system is not promoting more optimistic levels of perceived feasibility and desirability and this shortcoming is impacting negatively on potential entrepreneurs (Urban, 2008).
• The National Development Plan (NDP) sets out long-term goals with the ultimate objective of eradicating poverty by 2030. The NDP should be aligned with the principles of SE. As a starting point, there should be a national drive to promote the NDP and provide an understanding of wider global social issues in secondary schools and universities. Students should be encouraged to generate ideas on how to solve social problems.

• At university level, students intending to start a social venture could be encouraged and assisted through funding, co-operation from the institute and government support should it be viable and sustainable.

• Companies already campaign to expose school-going children to various careers, such as Take a Girl to Work Day and or Men in the Making. There should be similar campaigns and drives involving a collaborative effort by government, social entrepreneurs, business schools and universities, to promote SE and expose youth to work being done in the country. This could be done through day visits.

• Through media, local and international social entrepreneurs’ profiles should be elevated and their work celebrated.

• Social entrepreneurship should be brought into mainstream education and the number of social entrepreneurship training programmes should be increased.

• Enhancing skills and more targeted education in the direction of entrepreneurship and management skills can all help towards increasing perceived self-efficacy.

6.6 Suggestions for further research

It is evident in the literature that the field of SE is relatively underexplored. Perhaps because of this, conceptual differences have arisen (Karanda & Toledano, 2012) and definitional problems exist. Existing definitions of SE vary, according to the context in which social entrepreneurs operate, their mission
and available resources (Dacin et al., 2011). For this reason, it would be useful to have a definitive definition of SE, and an accepted understanding of the ‘social’ of the narrative within an emerging economy context.

Further research in this area of SE should involve testing a far larger sample of the population, and this sample should be more representative of the South African population as a whole. The nature of the questionnaire used in this study required respondents to express their feelings and attitudes which may have influenced respondents to feel compelled to answer appropriately. Future research can focus on qualitative research to provide a more in-depth understanding an individual’s intent to pursue SE.

A study to investigate the impact of current social entrepreneurs could be provided to various stakeholders but particularly policy makers in an effort to create more awareness of the benefits of social entrepreneurship.

South Africa is a very diverse country with a variety of cultures. Future studies could examine how cultural values influence perceived feasibility and desirability to establish social ventures. Other contextual factors could also be taken into account. Given the history of South Africa, the legacy of apartheid (Urban, 2013) created racial divides which are still prevalent today. Research taking ethnicity and race into account provides information about whether these factors influence the formation of intentions; such research could help to promote understanding of the similarities and differences within groups (Urban, 2008). The 2009 GEM report records that there was no significant difference between the different races in South Africa (Herrington et al., 2010).

A study could be conducted to investigate the impact of current social entrepreneurs and the results could be conveyed to various stakeholders, but particularly government, in an effort to create more awareness of the benefits and value of SE. According to Machi (2015), the government is encouraging social enterprises to work together and also with local municipalities and businesses, to create more of an impact in society.
6.7 Conclusion

This chapter concluded this study by providing a summary of the literature review, the results and suggestions for further research. The findings presented in chapter 5 were applied in order to answer the research question. The premise of the study was that the formation and development of social EI is influenced by cognitive and enabling factors. This study sought to determine these, based on Ajzen’s (1991) Theory of Planned Behaviour, Mair and Noboa’s (2006) Social EI model and the Ayob et al. (2013) model. This results of this study indicated that the integrated model had low predictive power, showing the association between variables to be insignificant. It can be concluded that SE has the potential to solve the challenging social problems that South Africa experiences. Further studies are required in order to investigate attitudes critical to the formation of social EI; this information could help to harness the potential to solve some of the most challenging problems in South Africa and the rest of the developing and emerging markets.
REFERENCES


entrepreneurial education. In: *Knowledge and Learning International Conference*. Zadar, Croatia


## APPENDIX A: RESEARCH INSTRUMENT

### 1. General information: Demographic profile

The following questions will help me find out more about you. Please answer the following questions.

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age in years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethnic group</td>
<td>Indian</td>
<td>Coloured</td>
</tr>
<tr>
<td>Indicate the university degree / diploma obtained or are in the process of obtaining (eg: Bachelor’s degree in psychology)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 2. Measure of empathic tendency

The following comments will help me to understand your levels of empathy

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree (1)</th>
<th>Agree (2)</th>
<th>Neutral (3)</th>
<th>Disagree (4)</th>
<th>Strongly Disagree (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>It makes me sad to see a lonely stranger in a group</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I often find public displays of affection annoying</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am annoyed by unhappy people who are just sorry for themselves</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I tend to get emotionally involved with a friend's problems</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I tend to lose control when I am bringing bad news to people</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The people around me have a great influence on my moods</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would rather be a social worker than work in a job training centre</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seeing people cry upsets me</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Statement</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>-----</td>
<td>-----</td>
<td>-----</td>
<td>-----</td>
<td>-----</td>
</tr>
<tr>
<td>I get very angry when I see someone being ill-treated</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>I am able to remain calm even though those around me worry</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>I am able to make decisions without being influenced by people's feelings</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>I cannot continue to feel OK if people around me are depressed</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>It is hard for me to see how some things upset people so much</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>It upsets me to see helpless old people</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>I become more irritated than sympathetic when I see someone's tears</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
3. Desirability of control scale (Self-efficacy)

For each of the items listed below, please indicate the response that best represents on the scale of 1- strongly agree to 5 - strongly disagree

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree (1)</th>
<th>Agree (2)</th>
<th>Neither Agree nor Disagree (3)</th>
<th>Disagree (4)</th>
<th>Strongly Disagree (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I would prefer to be a leader rather than a follower</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I enjoy being able to influence the actions of others</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would rather someone else took over the leadership role when I'm involved in a group project</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I consider myself to be generally more capable of handling situations than others are</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I'd rather run my own business and make my own mistakes than listen to someone</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
When it comes to orders, I would rather give them than received them.

When I see a problem, I prefer to do something about it rather than sit by and let it continue.

I wish I could push many of life’s daily decisions off on someone else.

There are many situations in which I would prefer only one choice rather than having to make a decision.

I like to wait and see if someone else is going to solve a problem so that I don't have to be bothered by it.
<table>
<thead>
<tr>
<th>I prefer a job where I have a lot of control over what I do and when I do it</th>
<th>☐</th>
<th>☐</th>
<th>☐</th>
<th>☐</th>
<th>☐</th>
<th>☐</th>
</tr>
</thead>
<tbody>
<tr>
<td>I try to avoid situations where someone else tells me what to do</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I am careful to check everything on an automobile before leaving on a long trip</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Others usually know what is best for me</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I enjoy making my own decisions</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I enjoy having control over my own destiny</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I like to get an idea of what a job is all about before I</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
When driving, I try to avoid putting myself in a situation where I could be hurt by someone else's mistake.

I prefer to avoid situations where someone else has to tell me what it is I should be doing.

### 4. Perceived desirability

Think of the following factors if you had to start your own social business: Please indicate below the answer that best represents your response. If you actually started your own social business, how would you feel?

1. I will love doing it ("1 - love" - "5 - hate")

<table>
<thead>
<tr>
<th>Love:Hate (1)</th>
<th>1 (1)</th>
<th>2 (2)</th>
<th>3 (3)</th>
<th>4 (4)</th>
<th>5 (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
</tr>
</tbody>
</table>

2. How tense would you be? ("1 - very tense" - "5 - not tense at all")

<table>
<thead>
<tr>
<th>Very tense: Not tense at</th>
<th>1 (1)</th>
<th>2 (2)</th>
<th>3 (3)</th>
<th>4 (4)</th>
<th>5 (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
</tr>
</tbody>
</table>
3. How enthusiastic would you be? ("1 very enthusiastic" - "5 - not enthusiastic at all")

<table>
<thead>
<tr>
<th></th>
<th>1 (1)</th>
<th>2 (2)</th>
<th>3 (3)</th>
<th>4 (4)</th>
<th>5 (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very enthusiastic:</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Not enthusiastic at all</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
5. Perceived feasibility

Please indicate the response that best represents your answer. If you actually started your own social business, how would you feel?

<table>
<thead>
<tr>
<th>How difficult do you think it would be? (1)</th>
<th>Very Difficult (1)</th>
<th>Difficult (2)</th>
<th>Neutral (3)</th>
<th>Easy (4)</th>
<th>Very Easy (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

| How certain of success are you? (2)      | Very certain       | Certain of    | Neutral     | Certain of | Very certain |
|                                         | of success (1)     | success (2)   | (3)         | failure (4)| of failure (5)|
|                                          | ○                  | ○            | ○           | ○        | ○            |

<p>| How overworked would you be? (1)        | Very overworked (1)| Overworked   | Neutral     | Not        | Not overworked at all (5) |
|                                         |                    | (2)          | (3)         | overworked (4) |                            |
|                                          | ○                  | ○            | ○           | ○        | ○            |</p>
<table>
<thead>
<tr>
<th></th>
<th>Know everything (1)</th>
<th>Know a little (2)</th>
<th>Neutral (3)</th>
<th>Don't know much (4)</th>
<th>Know nothing (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you know enough to start a social business? (1)</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Very sure (1)</th>
<th>Sure (2)</th>
<th>Neutral (3)</th>
<th>Unsure (4)</th>
<th>Very unsure (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>How sure are you of yourself? (1)</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>
6. Social entrepreneurial intent

The following questions will help me to find out more about you and your inclination to start a social entrepreneurial venture. Indicate how much you agree or disagree with a statement by placing a ticking in the block corresponding to your answer.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Agree (1)</th>
<th>Agree (2)</th>
<th>Neither Agree nor Disagree (3)</th>
<th>Disagree (4)</th>
<th>Strongly disagree (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am ready to do anything to be an social entrepreneur (1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My professional goal is to be an social entrepreneur (2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will make every effort to start and run my own social enterprise (3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am determined to create a social entrepreneurial venture in the</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>future (4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I do not have doubts about ever starting my own social enterprise in the future (5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have very seriously thought of starting a social enterprise in the future (6)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have a strong intention to start a social enterprise in the future (7)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My qualification has contributed positively towards my interest in starting a social enterprise (8)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
I had a strong intention to start my own social enterprise before I started with my qualification (9)

<table>
<thead>
<tr>
<th>Yes (1)</th>
<th>No (2)</th>
</tr>
</thead>
</table>

7. **Social Entrepreneurial Exposure**

Please indicate whether you have any exposure to a social business

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes (1)</th>
<th>No (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did your parents ever start a social business?</td>
<td>ø</td>
<td>ø</td>
</tr>
<tr>
<td>Did anyone else they know start a social business?</td>
<td>ø</td>
<td>ø</td>
</tr>
<tr>
<td>Did they ever work for a small or new social company?</td>
<td>ø</td>
<td>ø</td>
</tr>
<tr>
<td>Did they themselves start a social business?</td>
<td>ø</td>
<td>ø</td>
</tr>
</tbody>
</table>
8. Social venture

| How soon are you likely to launch your social enterprise or venture that strives to advance positive social change? | 1 Year (1)  
2 Years (2)  
3 Years (3)  
4 Years + (4) |
|---|---|

## APPENDIX B: CONSISTENCY MATRIX

<table>
<thead>
<tr>
<th>Sub-problem</th>
<th>Literature Review</th>
<th>Hypotheses or Propositions or Research questions</th>
<th>Source of data</th>
<th>Type of data</th>
<th>Analysis</th>
</tr>
</thead>
</table>
| To identify whether a positive relationship exists between empathy and perceived feasibility of establishing a social venture. | 1. Mehrabian & Epstein (1972) 2. Mair & Noboa (2003) 3. Ayob et al. (2013) | H1: A positive relationship exists between empathy and perceived feasibility of establishing a social venture | Structured survey questionnaire  
See Appendix A2 & A5 | Ordinal | SEM      |
See Appendix A2 & A4 | Ordinal | SEM      |
<table>
<thead>
<tr>
<th>Sub-problem</th>
<th>Literature Review</th>
<th>Hypotheses or Propositions or Research questions</th>
<th>Source of data</th>
<th>Type of data</th>
<th>Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>To investigate the relationship between self-efficacy and the perceived feasibility to establish a social venture</td>
<td>1. Krueger (1993)</td>
<td>H3: A positive relationship exists between exposure and perceived feasibility of establishing a social venture</td>
<td>Structured survey questionnaire See Appendix A7 &amp; A5</td>
<td>Ordinal</td>
<td>SEM</td>
</tr>
</tbody>
</table>
| To determine the relationship between self-efficacy and the perceived desirability to establish a social venture | 1. Mair & Noboa (2003)  
3. Krueger & Brazeal (1994)         | H4: A positive relationship exists between exposure and perceived desirability of establishing a social venture | Structured survey questionnaire See Appendix A7 & A4 | Ordinal       | SEM      |
| To investigate the relationship between exposure and the perceived feasibility to establish a social venture | 1. Wilson et al. (2007)  
<table>
<thead>
<tr>
<th>Sub-problem</th>
<th>Literature Review</th>
<th>Hypotheses or Propositions or Research questions</th>
<th>Source of data</th>
<th>Type of data</th>
<th>Analysis</th>
</tr>
</thead>
</table>
| To determine whether a positive relationship exists between self-efficacy and perceived desirability of establishing a social venture | 1. Wilson et al. (2007)  
See Appendix A3 & A4 | Ordinal | SEM |
| To investigate whether a positive relationship exists between perceived feasibility and perceived desirability to establish a social venture | 1. Mair & Noboa (2003)  
3. Krueger & Brazeal (1994) | H7: A positive relationship exists between perceived feasibility and perceived desirability of establishing a social venture | Structured survey questionnaire  
See Appendix A5 & A4 | Ordinal | SEM |
| To determine whether a positive relationship exists between perceived feasibility and intention to establish a social venture | 1. Mehrabian & Epstein (1972)  
4. Linan et al. (2011)  
5. Ayob et al. (2013)  
7. Krueger & Brazeal (1994) | H8: A positive relationship exists between perceived feasibility and intention to establish a social venture  
H9: A positive relationship exists between perceived desirability and intention to establish a social venture. | Structured survey questionnaire  
See Appendix A5 & A6  
See Appendix A4 & A6 | Ordinal | SEM |