

**THE ROLE OF SOCIAL ENTREPRENEURSHIP IN REDUCING POVERTY: A
CASE STUDY OF ANCHOR OF HOPE**

**RESEARCH DISSERTATION SUBMITTED IN PARTIAL REQUIREMENT FOR
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by

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DEDICATION

This is wholeheartedly dedicated to my beloved late parents, who have been a source of courage for me since I started this journey. They continually gave me their support and prayed for me. To my late father, David Basie Ndonga, and my late mother, Nontonjana Betty Matebese, I'm eternally grateful for the love and guidance they gave me.

To my late siblings and my late paternal and maternal grandparents, Amakhuma and Amazima Camagu.

DECLARATION

I, **Noluvuyo Matebese** declare that the coursework Master's Degree in mini-dissertation that I herewith submit for the Master's Degree in qualification in Development Studies at the University of the Free State is my independent work and that I have not previously submitted it for a qualification at another institution of higher education.

N Matebese

Bloemfontein

November (2022).

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JOSHUA 1 VERSE 9: "BE STRONG AND OF GOOD COURAGE, BE NOT AFRAID, NEITHER BE THOU DISMAYED FOR THE LORD THY GOD IS WITH YOU WHEREVER YOU GO".

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LIST OF ACRONYMS

CSR	Corporate Social Responsibility
GDP	Gross Domestic Product
MDG	Millennium Development Goals
NGO	Non-Governmental Organisation
NPO	Non-Profit Organisations
RDP	Reconstruction and Development Programme
SDG	Sustainable Development Goals
UN	United Nations

CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

Social entrepreneurship has, over the years, come to be known as an important element in the development of society at large (Ferri, 2014:12). Governments and researchers such as Ferri (2014) have displayed interest in understanding this phenomenon. The role of social entrepreneurship in reducing poverty is what the researcher is trying to uncover in this study. Social entrepreneurship is defined as an action that is innovative in using resources to pursue a need in an ever-changing world to address social needs (Mair & Marti, 2006). Furthermore, social entrepreneurship is said to be associated with using enterprise methods to satisfy social reasons (Dey & Teasdale, 2013). Drawing knowledge from the definition, it appears that social entrepreneurship involves financial gain or profit and giving social value.

The social value in this study links to poverty reduction. Social enterprises are therefore seen as a critical factor in development and poverty alleviation (Mair & Marti, 2006). Poverty has different definitions, and it is looked at from different perspectives. Often, there is a claim that poverty must be based on logical argument and science, but there is no correct, scientifically agreed definition because it is inevitably a political concept and, thus, an inherently contested one (Ludi, 2007). One definition is that poverty is a state whereby a person is poor because his or her income level falls below the minimum level necessary to meet basic needs (World Bank, 2019). Millions of people around the world live in extreme poverty and hunger, and many people in extreme poverty are found in Africa. This will be looked at in length in the literature review section. South Africa has also proven to have high levels of inequality, poverty, and unemployment. The South African government has, therefore, called upon businesses to play a role in transforming and developing better conditions for all to live in. Business on its own is broad, and it calls on all sectors within it to play a part. One of them being social entrepreneurship. It can be used as an innovative way of fighting poverty and other social and economic ills that hinder the development of this nation (Mohammed & Ndulue, 2017). Non-profit organisations (NPOs) are also encouraged to take a more entrepreneurial and business-oriented approach in order to generate revenue and be self-sustaining while providing social value services (Mohammed & Ndulue, 2017).

One such organisation is the Anchor of Hope, based in the Mangaung area. It is an umbrella NPO whose goal is to restore dignity to vulnerable people. They achieve their goal by providing job preparation and job creation projects, feeding schemes, clothing, and awareness programmes via network organisations. The organogram of this NPO is divided into eight divisions. Each division provides a unique service, but all have the same primary goal: to help the vulnerable and needy. Anchor of Hope generates 70% of its revenue through the different businesses it operates, and 30% of its revenue comes from donors (Anchor of Hope, 2019). The study, therefore, seeks to assess the effect that Anchor of Hope has in reducing poverty in Mangaung, and the research will focus on all eight divisions and the services they offer. The Organogram of the Anchor of Hope is illustrated in Figure 1 below. Figure 2 also gives an indication of the logo and Anchor of Hope pillars.

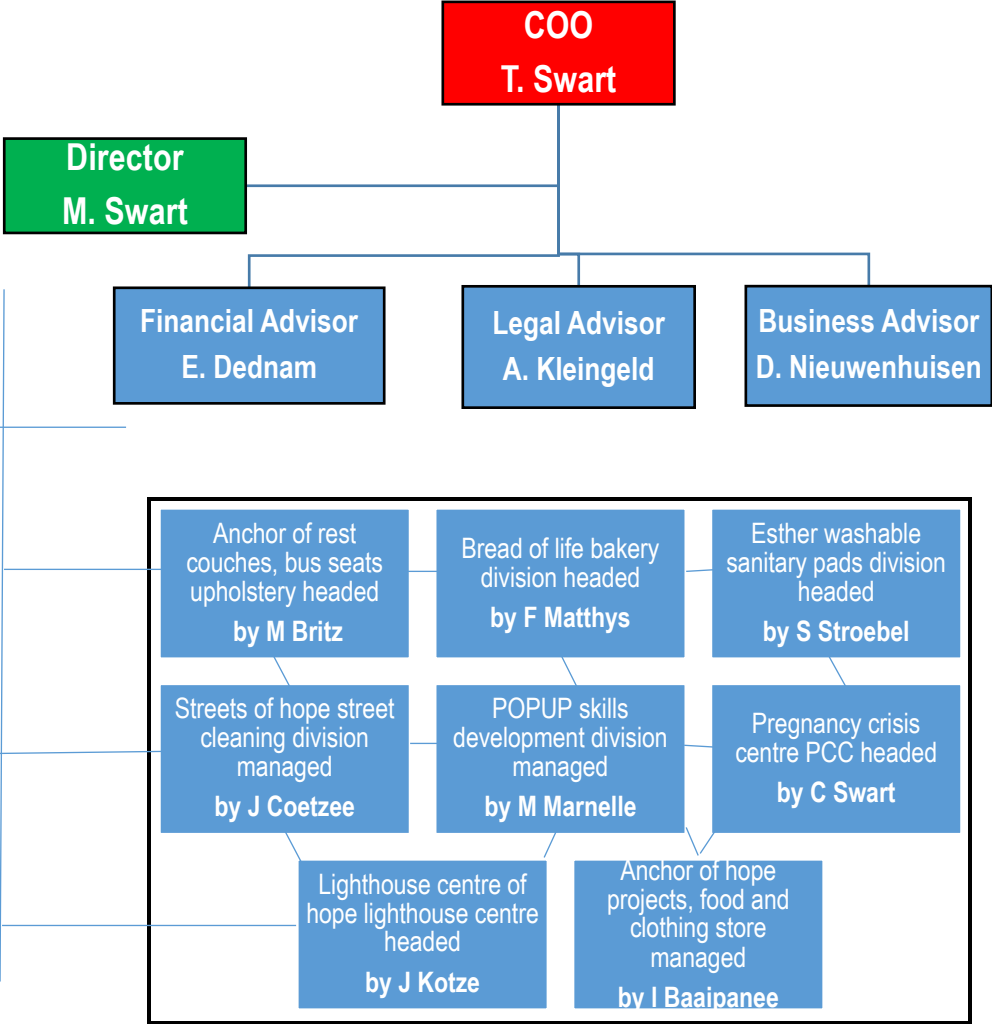


Figure 1: Organogram of Anchor of Hope

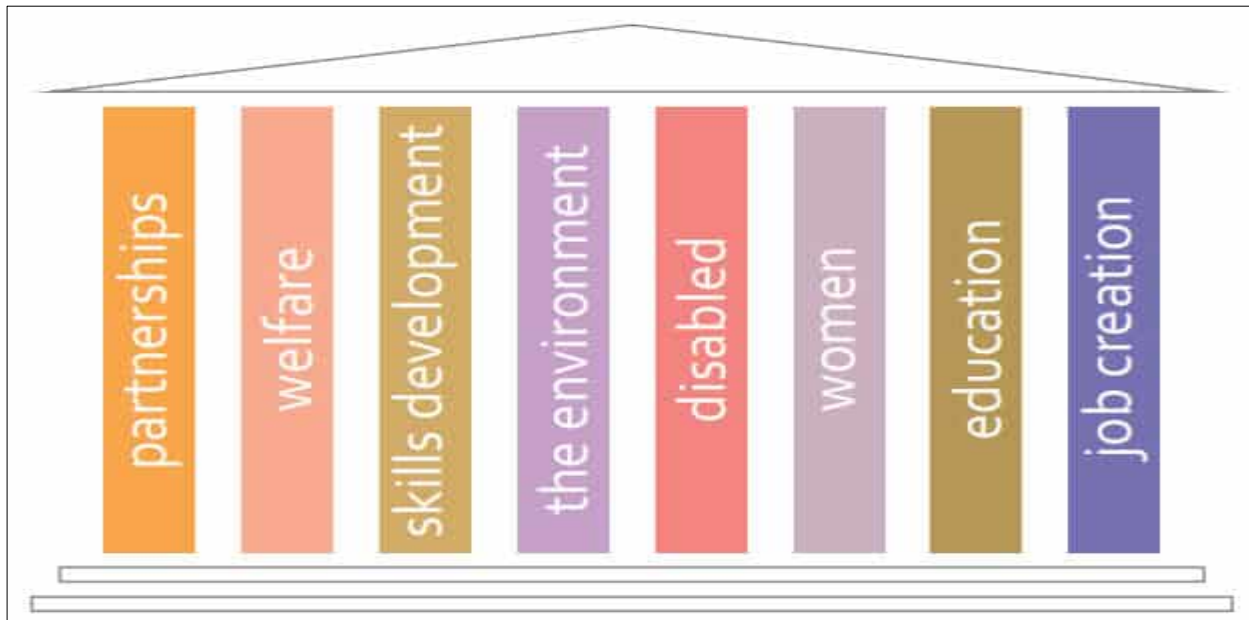
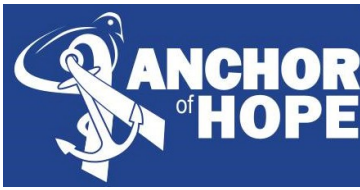


Figure 2: Anchor of Hope logo and pillars

1.2 PROBLEM STATEMENT

Poverty is and has been one of the biggest challenges facing developed and underdeveloped countries (Lateh et al., 2018). One major factor contributing to or causing poverty is unemployment. The unemployment rate is high in developing and underdeveloped countries; this common challenge has caused world leaders to come together in gatherings and talks, trying to find solutions and strategies to alleviate the problem (World Bank, 2019:02). One such gathering was the Millennium Summit of the year 2000. At this summit, a war against poverty was declared through the Millennium Development Goals (MDG). In South Africa, income inequalities have deepened. The Inequality Database shows 1% of the population takes home nearly 20% of all income, which is the highest in the country. Almost 65% is taken by the top 10% of earners, and the remaining 35% is shared by the top 90% of earners (World Bank, 2019:02). This is a clear indication that over 50% of South Africans live in poverty. The government, over the years, has introduced various strategies to fight poverty in the country and reduce inequalities. Such strategies include programmes such as the Reconstruction and

Development Programme (RDP) and the distribution of social grants. However, despite such interventions and measures, the country is still at war, fighting to eradicate poverty.

South Africa defines itself as a developmental state, and one of the critical features of developmental states is the promotion of small businesses. In South Africa, social entrepreneurship involves on a mind geared towards social good and people's well-being, and a business-minded person or entrepreneur (Manyaka, 2015). As a result, the relationship between the two is critical for poverty eradication. Social entrepreneurship is being used as a strategy to reduce inequality and combat poverty. A study done in Nigeria by Mohammed and Ndulue (2017) on the impact of social entrepreneurs on poverty reduction finds that there is a significant positive relationship between social entrepreneurship and poverty reduction; those enterprises were mostly in the fields of recycling waste, collection infrastructure, and social welfare (Mohammed & Ndulue, 2017). In agreement with this is another study conducted in Pakistan by Sultan et al. (2018), which says social entrepreneurship has had a good impact in reducing poverty in that country because of government policies and the commitment and resources given to social entrepreneurs (Sultan et al., 2018).

However, is this the case in South Africa, especially in the Free State? As the former executive mayor of Mangaung Metropolitan Municipality (MMM), Councillor Olly Mlamleli, said that there is a need to give more support to social entrepreneurs, and there are more of them needed in Mangaung. This she said while speaking on development issues at the round table with various business leaders and the Department of Economic, Small Business Development, Tourism, and Environmental Affairs (Destea) at the Central University of Technology in Bloemfontein (Choane, 2018). Given the above-mentioned insight, this study aims to look at the role that social entrepreneurship can play in poverty reduction.

1.3 AIM OF THE STUDY

The study aims to assess the effects that social entrepreneurship has on reducing poverty, especially in the Mangaung area, by looking at the case of Anchor of Hope (NPO).

1.4 OBJECTIVES

The following objectives are identified for the study:

- To have a better understanding of social enterprises in fighting poverty,
- To explore the role of social enterprises in fighting poverty,
- To identify challenges faced by social enterprises in fighting poverty reduction,
- To investigate the role of social entrepreneurship in poverty reduction in Margaung through the use of case study Anchor of Hope, and
- To make recommendations and new ways regarding the role of social entrepreneurship in poverty reduction.

1.5 RESEARCH METHODOLOGY AND DESIGN

To achieve its objectives, the study had to choose which research methodology would be most applicable to meet the aimed objectives. The methodology has ensued as follows:

1.5.1 Research design

The study employed a qualitative approach. This method was selected given the need to adequately put emphasis on understanding the phenomena of the study. The approach had been to use broad data to investigate the research problem, aiming to move away from generalisation to a specific premise (Ploeg, 1999). As part of the study relies on the information collected from people, this method has granted researchers the opportunity to interact closely with participants and collect subjective and detailed data (Rahman, 2016).

This means that the use of qualitative methods in this study was based on researching the role of social entrepreneurship in poverty reduction. The adoption of the qualitative method also allowed a researcher to produce results based on emotions, organisational functioning, feelings, and lived experiences rather than statistical procedures (Strauss & Corbin, 1990). The method has provided a broad perspective in showing how people make sense of phenomena (Henning, Van Rensburg & Smit, 2004), and assisted the researcher in achieving the study objectives of investigating

the role and experiences of Anchor of Hope in poverty reduction. The other crucial benefit of using qualitative methods is that they are flexible in nature and allow study designs to be constructed or reconstructed within a complex scope (Maxwell, 2012).

The qualitative research design has different approaches, and these are exploratory, which tends to be primarily inductive and based mainly on a theoretical framework (Maree et al., 2017). A case study could also take the form of an explanation, in which more details of a specific case are analysed at length.

The Anchor of Hope was used as the case study. In order to reach the aim of the study, qualitative data helped the researcher produce rich information. To gather information, the study employed qualitative research methods such as case selection, document analysis, document interviews, and observation. Further motivation for employing qualitative methods: the researcher finds the environment more naturalistic; the focus is on viewing social life in terms of processes that happen more. Qualitative research aims to answer questions by investigating various social settings and the people who inhabit them (Lune & Berg, 2007). Therefore, the study needs to pursue and understand the impact of social entrepreneurship on poverty reduction. Understanding the phenomenon is crucial in understanding the role of social entrepreneurship in poverty reduction. Participants' perspectives and perceptions are crucial in exploratory research. As Bryman (2012) posits, in qualitative research, the views of participants are studied to see what they perceive as being imperative and substantial. As exploratory research is an approach to qualitative research that is used.

1.5.2 Advantages and disadvantages of the Qualitative Research

Qualitative research offers a researcher the opportunity to collect data in different ways, creating a unique data relationship that the advantages and disadvantages of qualitative research can provide. One can put the different perspectives of participants in the context of those collecting the data to create accurate results (Gaille, 2018). It is a process that is always open-ended. It expresses human experiences in great depth and is flexible, as it does not provide a rigid structure. It allows for human emotions to play a role. However, it has some drawbacks for researchers, such as the need for multiple sessions to collect accurate data, which can be time-consuming.

1.5.3 Data Collection

The methods used to collect data for this study were document reviews and interviews. The basis for using both documents and interviews is that answers could not only be fully discovered from the documents without probing further into the implications of how social entrepreneurship assists with poverty eradication. In this case, the opinion of the participants assisted in determining the answers to the research questions.

1.5.4 Document Review

Therefore, the data was collected through interviews and the review of case studies. The researcher started by reviewing the documents, assessing all the facts related to the study, and then using that information as the basis for the interview. Maree et al. (2017) attest that using documents in research assists in giving focus to written communication that may shed light on the phenomenon that is being investigated. There are various types of case studies (critical and empirical analysis) that can be used to collect the information from the documents, but for the purpose of this research, an exploratory case study was used. This option is due to the fact that critical case studies are more focused on a theory that is well-developed for detailed empirical analysis (Creswell & Creswell, 2018). On the other hand, a representative case study focuses on capturing the conditions and circumstances of a situation, while extreme or unique cases are more like clinical case studies (Creswell & Creswell, 2018). However, unlike other case studies, a descriptive case study seeks to answer a question that seeks to explain the presumed causal links in real-life interventions (Yin, 2003). The other benefit of the exploratory case studies is that they provide a clear paradigm for the role played by social entrepreneurship in reducing poverty. Therefore, the materials used to collect data at Anchor of Hope were annual reports, evaluation reports, and organisational booklets.

1.5.5 Interviews

According to Chron (2017), an interview is a primary method for collecting data, as it allows one to receive in-depth and complex information. This study adopted semi-structured interviews as the approach to collecting data from participants. Semi-structured interviews allowed a researcher to ask more detailed questions and receive more information rather than being answered with a simple yes or no (Boyce & Neale,

2006). Interviews are helpful because they provide more detailed data about an individual's thinking and allow for the discovery of new issues (Boyce & Neale, 2006). The researcher intends to draught interview questions as part of the procedure and then interact verbally with participants during various sessions. Participants' responses will be recorded and noted down, as the best method for having compelling interviews is to record participant responses (Merriam, 1998).

After the review of documents, this study employed semi-structured interviews. The interviews in the research were used to collect in-depth information on participants' opinions, thoughts, and experiences. As part of the procedure, the researcher drafted interview questions and then interacted verbally with participants on different occasions. The open-ended questions allowed the researcher to delve deeper and gain a better understanding of the responses. According to Bryant (2016), the advantage of semi-structured interviews is that questions need to be answered differently than they are outlined on the schedule, and further questions may be asked as the interviewer picks up the interviewee's replies. According to Boyce and Neale (2006), using semi-structured interviews in research allows the researcher to ask deeper questions and receive broad information rather than being answered with a yes or no. In addition, Boyce and Neale (2006) posit that interviews provide more comprehensive data about an individual's thinking and give the researcher opportunities to learn about new issues.

1.5.6 Sampling

Since the sampling size in qualitative interviews has no rules, Bryman (2016) postulates that the sample size should be manageable to the extent that saturation of data turns out to be challenging to achieve. However, there is a belief in qualitative research that the sample size must be manageable because a small sample can produce the information that is wanted depending on the expertise of the participant. Therefore, the study comprised nineteen participants, including the director of Anchor of Hope and two managers from different divisions of the organisation. Two workers from each division and the managers' sessions were scheduled individually. The study has also used purposive sampling with the intention of achieving a manageable amount of data and probability sampling to give an equal chance to ordinary staff

members in the eight divisions of Anchor of Hope. The following is an indication of how the participants were chosen:

Table 1: Participants and Sampling of the Study

Participants	Number of participants	Method of sampling	Data collection method
Head of Anchor of Hope	1	Purposive sampling	Interviews, organisations and reports
Workers	2 in each of the eight divisions	Probability sampling	Interviews and observations
Managers	2	Purposive sampling	Interviews about their role in the divisions

1.5.7 Research Site

The research site was based in Bloemfontein, and all its offices and operations are based in the Hamilton area.

Figure 3: Anchor of Hope location



All eight divisions are based in one site and operate there and are:

Table 2: Divisions in the Anchor of Hope

Lighthouse Centre of Hope
Streets of Hope
Esther
POPUP
Bread of Life
Anchor of Rest
Pregnancy Crisis Centre
Food and Clothing Bank

1.5.8 Data Processing

Lastly, participants' responses were recorded and noted down, as the best method for having compelling interviews is to record participant responses (Merriam, 1998).

1.5.9 Data Analysis

As participants are operating in an English-speaking environment, study interviews were conducted in English, and thematic analysis was adopted to analyse the collected data. This means that the interview questions were designed in a thematic way using thematic coding. In other words, data was analysed and interpreted, focusing on participants' views, differences, and recommendations. Appointments were made early by means of emails to allow time for reminders and confirmations of their participation before the interview date.

1.6. RESEARCH ETHICS

This study also applied research ethics, as it is stated that the ethical aspects need to be addressed to protect people who took part in the research (Maree et al., 2017). Kumar (1999) also attests that it is unethical to collect information without consent. Therefore, before undertaking the study, the researcher received informed consent from the participants. The participants were informed by the researcher why the study was undertaken and why it was vital for them to participate. In addition, the researcher presented a draught copy of the research to all participants to ensure them that the research was only for academic purposes. Furthermore, the participants received a guarantee that under no circumstances would their information be discussed with anyone who was not part of this research, meaning confidentiality was guaranteed. The participants' names remained anonymous throughout the research and after the completion of the study. All participants were assured that no risks or costs would be involved during this study. All participants were assured that there was nothing binding them to remain participants until the end of the research and that they could withdraw at any time that was convenient for them. Lastly, a letter of consent was given to the participant to assure them of privacy and confidentiality.

1.7 CONCLUDING REMARKS

The chapter introduced the problem statement of the study. The chapter discussed the background and motivation of the research project. The significance of the study was deliberated on. It advanced the research objectives and provided the research methodology used in the study. Against this backdrop, the next chapter deals with a literature review and plans or programmes that are used by social entrepreneurs to fight poverty. Key concepts of the study are viewed in great detail.

CHAPTER 2: LITERATURE REVIEW

2.1 INTRODUCTION

Social entrepreneurship is seen as an element that drives development. It is beneficial in various ways. It encourages development, growth, and competitiveness. When it comes to poverty eradication strategies, social entrepreneurship is crucial to solving hunger and starvation problems. Social entrepreneurship does not only focus on profit-making; it also aims to give back to the community through various social initiatives (Miesing, 2017). These social initiatives are carried out in different types of partnerships with communities.

One of the challenges facing both the developed and developing worlds today is poverty. Poverty is regarded as one of the most pressing issues of the twenty-first century, and numerous interventions and strategies have been implemented to address it. World leaders have gathered and declared war against it. Out of this came the MDGs, later changed to Sustainable Development Goals (SDGs). In the SDGs, goal number one states that many people around the world live in poverty and that a vast number of the world's population live in extreme poverty (United Nations, 2016:8). Large numbers of these people are in sub-Saharan Africa. There are various causes of poverty, one being unemployment, social exclusion, disasters and diseases. All these prevent people from being productive (United Nations, 2016:8). The growing numbers of inequalities are a significant cause of negative economic growth, which in turn results in political and social tensions and, in some areas, even instability and conflict. For these reasons, world leaders are compelled to act and provide humanitarian relief and interventions in the fight against poverty (United Nations, 2016:8). It is therefore vital that, when it comes to poverty alleviation, we look at social and economic initiatives, solutions, and strategies that will be able to bring improvement in social welfare and deliver values-social entrepreneurship is viewed as such a strategy. It is essential that before we go on at length with the literature review, we define the critical concepts for a broader understanding of the terms.

2.2 THEORETICAL INTERPRETATION OF SOCIAL ENTREPRENEURSHIP

When conceptualising social entrepreneurship, there are two sides, one being socially inclined and the other being entrepreneurial. The social sector is focused on addressing social needs, and the entrepreneur is the component that is more focused on wealth accumulation and profit making (Semape & Manyaka-Boshielo, 2017). Dees (1998) defines social entrepreneurship as the identification and relentless pursuit of new opportunities to further the mission of creating social value. According to Dees (1998), its continuous engagements in innovations and modifications of bold actions are undertaken without acceptance of existing resource constraints. To put more emphasis on social value, social entrepreneurship is an innovative form of creativity that can happen in non-profit businesses, profitable businesses, and the government (Austin, 2006). The primary goal of social entrepreneurship is to improve the lives of those who are marginalised in order for them to change their circumstances.

Reaching further the social value of social entrepreneurship, Martin and Osberg (2007) say that it is not only about gaining monetary benefits from innovations but also giving value to the underserved, neglected, and marginalised. They break the concept into three phases in the following firstly: Recognise the balance that excludes the poor people from the transformation process and its benefits. This balance is inherently unjust and stable. Secondly recognise that, in the balance, and there are opportunities that can be developed and turned for social good. Creativity, inspiration, and courage may be drawn to challenge the stability of the state and find a new balance that will free the trapped group. This could be done by forging a very stable environment around this balance. This will certainly make things better for the targeted groups and communities. Social entrepreneurship sees a problem in the community, and then identifies the opportunities in that situation for solving it (Manyaka, 2015).

2.3 CONCEPTUALISING POVERTY

When speaking of poverty, different interpretations and meanings come to mind; however, the understanding of poverty is almost universal. Poverty is a universal phenomenon. Different interpretations of poverty place the level that dictates the poor's living conditions and income acceptability (Ludi, 2007). All poverty definitions

are essential as they become a crucial factor when formulating policies and influence how strategies and interventions will be implemented. It is essential to also keep in mind the ambiguities that exist with the concept, as it is used differently by different scholars. Leading scholars on poverty clusters the definitions into four groups as follows:

- Remuneration poverty or its regular substitute use of poverty.
- Except for salary, I am not having anything involves not having assets like housing, food, clothes, or transport. It also needs more access to the needed services.
- Ability deprivation: this speaks to what people can or cannot do or be. This goes beyond a need for more material possessions. It involves people's potential, such as skills and abilities, and how they are received by society (Chambers, 2006).

Poverty has many manifestations, including lack of income and productive resources sufficient to ensure sustainable livelihoods, hunger and malnutrition, ill health, limited access to education and other essential services, increased morbidity and mortality from illness, homelessness and inadequate housing, unsafe environments, and social discrimination and exclusion. It is also characterised by not participating in decision-making processes in civil and social matters (United Nations, 1995:9). This demonstrates a multidimensional description of poverty. Furthermore, poverty has two notions: absolute poverty and relative poverty.

- Absolute poverty is where the household income is below the level needed for them to meet their basic needs, such as food, housing, clothes, and water.
- Relative poverty where the income of the people is under the average level of income.

2.4 CONNECTION BETWEEN SOCIAL ENTREPRENEURSHIP AND POVERTY

The growing interest in new ways of doing business is attracting more attention than ever before. This new way is social entrepreneurship (Mair & Marti, 2006). This approach not only appeals to civil society, business, and the public sector; there is also much emphasis coming from the academic community in terms of producing research work on the subject all over the world. As there are two definitions of these two words, it is imperative to examine how the two unite into one and what the common characteristics are for a greater purpose. As previously stated, social entrepreneurship is the pursuit of new opportunities in order to create social value. Those opportunities arise out of social problems like poverty, which is one of the biggest social problems that the world is battling to eradicate. As a result, social entrepreneurship is used to try to solve this problem by combining creativity with commercial principles and business features (Martin & Osberg, 2007).

With this way of working, they produce results and impact society in different ways. The business approach strategy of social entrepreneurship has an impact on poverty reduction (Khan, 2020). Several academic researchers have identified that start-up businesses have a positive impact on fighting poverty (Khan, 2020). Social entrepreneurship, on the other hand, is a promising strategy for reducing poverty by improving social modification, which helps to improve society's quality of life. The skills and abilities that social entrepreneurship has in the financial-economic system are vital as they play an essential role in raising the financial improvement of their organisations and in trying to lower the poverty index (Khan, 2020). According to literature from various researchers, social entrepreneurs make a massive impact in the fight against poverty and create economic opportunities, particularly for the poor around the world, by combining profitability, expertise, and social talents in business (Sijabat, 2015).

The creation and expansion of social entrepreneurs and their growth over the past two decades have helped reduce poverty and give more employment opportunities to the most vulnerable in society (Khan, 2020). It also brought efficiency through its net increase and by generating new social organisations for the development of society.

Furthermore, social entrepreneurs use their skills and resources to solve other and many more social problems that poor communities are faced with in many areas of

their lives, as poverty causes one to lack not only food to eat but other needs and privileges a person must have to progress and be able to live a life where their basic needs are met. Social entrepreneurship has far-reaching implications in effectively providing access to basic human needs that most public institutions and relevant stakeholders still need to provide and fulfil. It provides a broader vision for motivating plans for more socially acceptable and sustainable commercial approaches and institutional reforms, as well as directly contributing to universally sustainable goals (Cukier et al., 2009).

It paves the way for a more secure future for future generations, who will recognise that one of the necessities of life is to be of service to others. Furthermore, the striking characteristics and outcomes of social entrepreneurship include the need to generate new ideas and new business models, as well as re-targeting and redirecting resources to previously ignored social issues.

2.5 A GLOBAL PERSPECTIVE OF SOCIAL ENTREPRENEURSHIP

Social entrepreneurship has provided innovations across the world in fighting poverty. Fighting poverty is enshrined in the United Nations (UN) SDGs as a priority that the world should achieve by 2030. Entrepreneurs and innovators are encouraged to seek out opportunities and potentials that will have a significant impact on poverty alleviation (Thorpe, 2017). Poverty is not just a problem for the poor, as other socio-economic and climate issues may appear to be for specific segments of society or countries. The implications and effects are for all inhabitants of planet Earth because we live in an interconnected and interdependent world. When you improve one life, you improve the prospects for all (Thorpe, 2017).

Entrepreneurship, especially social entrepreneurship, brings more value to the fight against poverty than any other approach involved. Social entrepreneurs should be equipped more for the betterment of all and sustain worldwide influence much faster than any other form of social good. Social entrepreneurs can bring unique mindsets and ideas; they never give up and are willing to empower others to solve their challenges. Social entrepreneurs are very flexible and open to new possibilities. Social entrepreneurs operate on revenue generation, donors, and grants. Operating in such a space requires them to be flexible in their effectiveness. Social entrepreneurship is

vital to fighting poverty, even though it is not regarded as a magic bullet. Social entrepreneurs must incorporate the concepts of social good rather than social responsibility into their core business models. There are different approaches and definitions of social entrepreneurship; some are similar, and others are remarkably different (Taylor et al., 2000, p. 66).

Globally, social entrepreneurs are referred to as being like business entrepreneurs. These are business entrepreneurs that combine resources, innovate, and look for opportunities to discover new ways of doing things (Nicholls, 2006). Social entrepreneurs must commit to the principles of transparency, efficiency, research, and impact evaluation to solve social issues (Hartigan, 2002, p. 55). Dart (2004) makes the argument that social entrepreneurship initially used notions of legitimacy to show the development of social enterprises. Social entrepreneurship has also offered a more effective way of meeting social needs because it is more morally legitimate and preferable as a method of solving problems. His conclusion is that social entrepreneurship is likely to move away from broad business ideas of entrepreneurship, which include the kind of social change leadership described above, to a narrower frame of market-focused revenue generation. This is the primary societal discourse and, therefore, the most effective way of gaining legitimacy. There are general phases to follow for social entrepreneurs (Miesing, 2017, p. 8). They are:

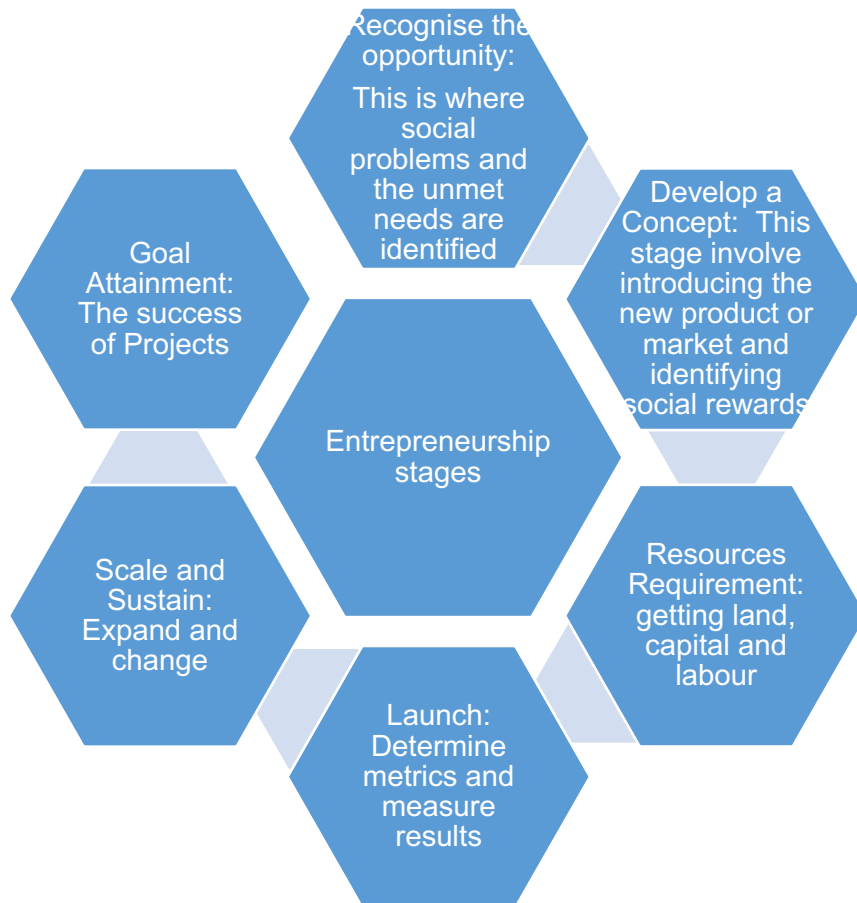


Figure 4: Social Entrepreneurship Phases

The first phase is recognising the opportunity, which serves as the foundation for a robust social enterprise. Social entrepreneurs see the opportunity in a problem. At this phase, creativity features as one of the ingredients in setting up the idea and ensuring its continuous progression as the vision becomes a reality and scales up. The second stage is developing a concept. This includes the introduction of the product or market and identifying social rewards. Social enterprises have a significant impact because they often spring from a straightforward concept that solves the most fundamental problems. This phase of concept development involves brainstorming ideas. Specific skills are required to create and execute a plan. The day-to-day work is required for the realisation of the stage. Acquiring resources is the third step. This is where a social entrepreneur will make a list of what to do and whom to reach out to—finding people with a common interest and convincing them to come on board. The launching process begins once all of the resources required for the inception have been obtained. This process entails carrying out your vision and mission and working toward a common goal.

The second and final phase is about scale and sustainability. This is where you focus on growing the social enterprise—implementing different strategies and plans. The final one in the phases is goal attainment, which is the success of the projects—evaluating and assessing the impact of your charitable organisation.

Social entrepreneurship and enterprise come in different forms. There are five forms that are identified by Miller (2018), and they are:

- A social enterprise for a profit with a social mission; their products or services are social with dividends. These social enterprises focus on social contribution through creating renewable revenue streams provided by the enterprise itself and producing dividends for shareholders. They also depend on funding, especially at the initial stages of starting.
- Social businesses that have a social mission. Dividends and profits are put back into the organisation. It's most mainstream definition of social business is one that is cause-driven; all its profits go back into the company for its improvement, betterment, or growth. Social business adds an entirely new dimension to the free market economy. Its fundamental principles are: the business objective is to overcome poverty and other social problems; the business must be financially and economically sustainable; investors get their invested money back; the profit stays with the company after giving back investors' money; the business must be environmentally conscious; and lastly, the workforce gets paid according to market rate and is passion-driven.
- Social entrepreneurship, also referred to as Corporate Social Responsibility (CSR), is part of large corporations that prioritise dividends and are not entirely social. They have been supporting for-profit social enterprises, or "social businesses," NPOs, and NGOs. They look to see if that social business or NPO has a financially viable approach that could lead to self-sustainability.
- Non-governmental organisations (NGOs) are traditionally known for not generating any profit. They depend on donations and are purely socially driven.
- For-profit and non-profit organisations are linked in hybrid organisations. The profit is raised by raising funding for non-profit activities. Hybrid organisations have been around for centuries, but lately there has been a new trend in the social sector to use a type of social enterprise model to make non-profits more

self-sustaining. They are found both in the public and private sectors, simultaneously fulfilling public duties and developing commercial market activities (Miller, 2018).

One should fully understand the different phases and types of social entrepreneurship before establishing one. The following steps take place:

Step one: know the different legal forms available to social enterprises and choose. Step two: know if your social enterprise can get or obtain non-profit organisation benefits and donor-deductible status accreditation. Step three: Map out your key revenue sources and business model. Step four: What type of financing will your social enterprise need? Step five: You need to know how the social enterprise will be governed. Step six: Given all the steps, what is the best legal form for your social enterprise? (Bertha, 2016).

2.6 SOCIAL ENTREPRENEURSHIP AT THE REGIONAL LEVEL (AFRICA)

In comparison to other regions of the world, Africa retains a complex historical and political identity of colonisation that has left severe implications for the continent (Heath, 2007). Is this to say that colonisation has steered the continent off course? The answer could be yes or no (Frankema, 2015). The region seems to display an exciting characteristic for social entrepreneurship (Rivers-Santos, Holt & Kolk, 2015). Social and economic ties thrive, and they create an opportunity for social goals. Such ventures can range from for-profit commercial business models based on niche markets to more socially motivated needs associated with extreme poverty (Rivers-Santos et al., 2015).

As mentioned earlier, while poverty is a world phenomenon, it is rampant in Africa. It is clearly visible, and it is mainly of the absolute poverty type. As it is suggested that social entrepreneurship develops out of such needs that are not fulfilled by the government, a social mission is likely to incorporate a more specific targeting of the poor and more generally of marginalised communities in the venture's business model (Rivers-Santos et al., 2015). The high levels of poverty have the potential to increase the perception of compassion being turned into social entrepreneurship endeavours

(Miller et al., 2012). Overall, we can therefore expect that high levels of poverty will lead to a stronger self-perception as a social enterprise and a choice of activities that emphasise the venture's social mission.

Different factors influence a country's colonial history and economy, which lead to how social entrepreneurship is practised or carried out. The other factor influencing social entrepreneurship is ethnic identity. It adds an equivalent institutional framework to national institutions, which may be recognised by the state (Rivers-Santos et al., 2015). Ethnic identities in the region have a significant influence, particularly belief in the Ubuntu approach, a view based on human interdependence that encourages humans to help one another. One can be better off by lending a hand to another. There are other various factors that influence the ventures of social entrepreneurship in Africa, and it is very important to note such insight and context when getting into social entrepreneurship in Sub-Saharan Africa. Some factors that I will only mention if I go into detail are weak government institutions, policies, geographic areas, and education. Despite its less-than-ideal and stable environment, Africa is the next frontier for business (Economist, 2013:5). Social problems can become business opportunities. However, even though the continent may be the next big thing for business, There is still a lot more research and study to be done in the management literature on Africa. Nkomo (2013) found that there are only a limited number of articles with an African focus, and the articles don't show the unique African attribute.

As explained early on, poverty rates are higher on the continent. Visible poverty, stemming from a combination of high absolute levels of poverty and inequality, is likely to impact both the venture's self-perception as a social enterprise and its actual activities (Rivers-Santos et al., 2015). Early on, the literature suggested that social entrepreneurship emerges when needs are not fulfilled by the government or the private sector (Rivers-Santos, 2015).

2.6.1 Social Entrepreneurship Opportunities in Africa

The new breed of social entrepreneurs is what Africa needs to solve complex challenges that the continent is faced with. Africa has the youngest population of any other region in the world. This can be harnessed to spur increasing innovation in the social sector. This needs continuous nurturing, mentoring, and education to ensure

that it produces a demographic dividend (Ojok, 2017). The increasing number of talented young Africans interested not only in pro-profit investment but also in social impact creation is a big bonus. There is a renewed commitment by the governments on the continent to invest in social innovations. Some governments have helped set up social incubation hubs, giving social entrepreneurs a platform to ideate, refine, test, and market their innovations. The continent has also seen an increase in the number of social investments that assist with closing the gap in accessing financial assistance (Ojok, 2017). Lots of business opportunities exist in Africa, but there are risks that come with those opportunities. The higher the risk, the more excellent the opportunity. After all, taking the leap of faith to solve social and environmental problems is already a risk. Developments on the continent are too complex and require a multidimensional approach. There is a possibility that social entrepreneurship could fire the magic bullet, but it needs governments, the private sector, and the international community to work together.

2.7 THE SOUTH AFRICAN CONTEXT

The country has the most advanced financial banking system in Africa, and it is classified as a developing market. As an emerging market, it needs to work hard to reach the standards of developed economies like the Western economies and the United States. South Africa's economy and development are measured by Gross Domestic Product (GDP), people's standard of living, education, financial systems, and technological use (Gibs, 2018). As this country has a high level of poverty and unemployment, the then minister of trade and industry, Mr. Trevor Manuel, identified unemployment as a government nightmare. He spoke of the role of entrepreneurship and small and medium enterprises as imperative to address the challenges of job creation, economic growth, and overcoming poverty (Manyaka, 2015). He emphasised that non-profit organisations must learn to operate entrepreneurially. The South African informal sector employs over 20% of people, and small and medium businesses contribute meaningfully to the GDP; hence, the sector needs to be sustained and new innovations and ventures encouraged.

The country's social enterprises put forward the importance of their social and environmental missions and try to strike a balance between profit and purpose. As social enterprises at times depend on grants and donors, most South African social

enterprises take care of themselves and do not rely on such funding; they operate on for-profit legal forms, although some tend to use both for-profit and non-profit methods (Gibs, 2018). Their focus is on meeting the basic needs in priority sectors such as health, education, housing, and local community-based entities. On education, the focus is on skill development and literacy. Their operating structures involve stakeholders, employees, advisory boards, and community trusts. Their internal monitoring systems involve reporting on their social and environmental impact. Most of them employ 1–15 people, and they serve close to 100 beneficiaries (Gibs, 2018). Since the dawn of democracy, South Africa has put measures in place and applied strategies for eradicating poverty. The growth in GDP has been meagre and negative per capita in the past five years, which has stagnated the fight against poverty (World Bank, 2017:1). The growing numbers of unemployed people are also a major cause in the fight against poverty.

Socio-economic issues have for a long time challenged governments and NGOs. Both sectors have been collaborating to try to solve or find solutions to these problems. One of the significant issues among them is poverty. Poverty has been linked to other issues such as crime and HIV. Various community development programmes have been initiated to help with the situation. Community programmes have been a critical intervention (Ipangui & Dassah, 2019). It is important to note that economic growth is also examined through poverty reduction by testing the link through entrepreneurship. This is imperative because in every economy, when there is positive economic growth, some people are taken out of poverty. It has been proven that small business contributes to reducing unemployment as it is widely encouraged that people start small businesses and become employers; this has a positive impact on poverty alleviation (Ali, Alam & Lodhi, 2017). Social entrepreneurship has the potential to lower poverty while generating revenue. The impact that social entrepreneurs have while doing social good and making profit at the same time is a worthy mission. The increase in social entrepreneurs means that it would be of great help in decreasing poverty and opening job opportunities. Social entrepreneurs are looking for and adopting different ways to mobilise resources and upskill themselves so they can confront social issues. They have become a key player in meeting basic human needs.

The South African government's social development initiatives have yet to progress to eradicate poverty altogether on their own. It is for this reason that we say that poverty alleviation programmes are universally oriented. Some of these social enterprises receive their donations from multinational and global institutions of governance. Hence, the interventions should have a global view but a local focus (Mohapeloa, 2014). Even though they will operate on a local scale, they need to be competitive globally. At times, the difficulty is that they may need to be aligned to global or regional service standards while rendering services at the local level. They also experience a funding deficit from local government authorities as government priorities may change from time to time, directing funding to other development plans (Mohapeloa, 2014). The government has spent much money to help social enterprises fight poverty. The government has been forced to look at other innovative and alternative methods by creating various funding models. To create social wealth, businesses and governments need to adopt investment opportunities to address social challenges. The government needs to take the lead in fighting poverty, and they must not only give support to social enterprises, as it is their role to deal with SDG commitments and respond to the number one goal of fighting and ending poverty and hunger. Social entrepreneurs operate in a challenging environment because they not only need to look at profit gains like traditional businesses do but also satisfy broader social needs. Social enterprises in South Africa have a long history, even though the term may be a recent phenomenon. It could be traced to colonial times with the introduction of cooperatives (Rivers-Santos et al., 2015). This country implemented reforms in the 1970s and 1980s that included democratisation of political and social life, as well as privatisation of the economy. This opened the door for many new forms of production, like worker cooperatives (Claeye, 2017). Cooperatives began to be recognised by civil society as a tool for poverty reduction and economic upliftment. The South African government has been committed to promoting cooperatives even post-apartheid, putting measures in place for their development. Several policies and laws, such as the Cooperatives Act of 2005, allow cooperatives to be registered.

NPOs in the country have been firmly established. It was formed by the corporatist tradition of Dutch settlers and the self-help spirit referred to as Ubuntu (Swilling, van Breda & van Zyl, 2008). There is a suggestion that social entrepreneurship originated in the 15-year period predating the end of the apartheid regime, with organisations set

up to tackle some of the social issues (Visser, 2011). Following the democratic change, civil society needed to redefine itself in a developmental phase.

2.7.1 New Philosophy in South Africa

The concept of social entrepreneurship is relatively new in South Africa. There are still some mixed feelings from different players, such as policymakers, about the impact the field could have. Considering this, there seems to be no clear policy that governs and regulates social entrepreneurship in South Africa (Littlewood & Holt, 2018). According to Ipangui and Dassah (2019), it is still difficult to pursue a social entrepreneurship activity in South Africa, and social enterprises are sometimes negatively perceived and misunderstood. This challenge seems to be common across the continent, as the concept is still in its infancy in Africa. Coetzee and Meldrum (2015) elucidate that several governments across the world have acknowledged the sustainability nature of social entrepreneurship in solving their social ills in their countries; these include Colombia, India, the UK, the USA, and Australia. However, in South Africa, efforts to assist social entrepreneurs still need to improve, and most of them are only found in one province, the Western Cape.

2.7.2 Evolving of NPOs to Social Enterprises

Social enterprises exist to address social or environmental problems. by pursuing a social or environmental purpose while using revenue or even profits as a critical driver of their business models. They represent a convergence between traditional business and non-profit organisations (University of Cape Town, 2016:2). In South Africa, these trailblazing enterprises make it their mission to create opportunities for employment and uplift the poor and vulnerable groups. In the past decade, NPOs have experienced a significant problem with external funding. Lack of funding has threatened the sustainability of the NPO sector (Van Vuuren et al., 2013). Financial challenges have become more serious every day. This has caused pressure on NPOs, forcing them to become social enterprises. This has led to many NPOs coming up with new approaches and adopting business-like or entrepreneurial methods. The social entrepreneurship way or style has gained traction as many NPOs are self-sustaining through various business ventures they run. Anchor of Hope is one such example of an NPO that has adopted a business approach. As previously stated, the organisation

has eight divisions dedicated to assisting it in raising funds to increase revenue, and those funds are then reinvested in the organisation. The following is more information about what each division does:

- Anchor of rest: This division is a factory that makes furniture of high quality and standard. Through training and mentorship with previously unemployed people. Making something out of nothing creates the ability within people that unlocks their hidden potential.
- Esther: It is a division that focuses on broken and hopeless women and young girls. Dignity and hope are established in each of them through a job creation project where washable sanitary towels are made and distributed among girls who cannot afford them.
- Lighthouse Centre of Hope: It is a men's shelter with a specific focus on restoration and rehabilitation of hopeless and broken men living on the streets through love and understanding, counselling, and programmes. These men work in various projects within Anchor of Hope, and with the salary they receive, they can pay R35 for a meal and accommodation in the centre.
- POPUP division: It is dedicated to assisting individuals to make a change their world.
- Bread of Life: It is a bakery that is operated by disabled people in order to give them a sense of worthiness despite their physical or mental challenges. The products from the bakery are sold to different shops and organisations.
- Pregnancy Centre of Hope: It is the centre that gives hope to every mother who has an unplanned or unwanted pregnancy. It offers assistance through counselling, information sessions at tertiary institutions, counsellor training, and housing. It is the centre that gives hope to every mother that have an unplanned or unwanted pregnancy. It provides support by counselling, giving information sessions at tertiary institutions, training for counsellors and accommodation.
- Lastly is Anchor of Hope Projects: This division is responsible for providing food and clothing to the poor and other organisations through feeding schemes and community and social upliftment programmes with government institutions.

About 70% of the organisation's revenue comes from various projects, with the remaining 30% coming from private donors. This seems to show the kind of skill that

is needed in social enterprises to create employment opportunities and establish them as viable sectors. Instead of taking an entrepreneurial approach, it means converting to a traditional, full-profit business. What is needed is financial sustainability. There is no one-size-fits-all solution to becoming a social enterprise (Van Vuuren, 2013).

Social entrepreneurship seems to work best when it creates new types of social value. This appears to be more likely in areas that have been deserted by traditional economies (Nicholls, 2006). This is the case with the Anchor of Hope; situated in Hamilton, an industrial area south of Bloemfontein. Social entrepreneurship tends to spring up fastest in areas with underused assets, exceptionally high employment and derelict or redundant buildings and land. They are often better able to discern the potential value of new activities and can provide services and activities at a much lower cost than public agencies (Nicholls, 2006). There are many things that government can do, and there are other things that only markets can do, such as preparing people for employability and managing large-scale developments. Neither government nor markets are competent at creating a sense of common purpose. Hence, along with the investment of money in generation, a substantial amount of effort is needed to rebuild the capacity of community organisations and social enterprises to run things themselves.

2.8 LEGAL AND POLICY FRAMEWORK OF SOCIAL ENTERPRISES

For the social enterprise to do good, it needs numerous sources of capital. South Africa does not have a legal structure entirely dedicated to social enterprise; however, there are existing laws that allow for their flexibility. Different factors impact the choice of a legal structure for that entity; those factors include the size of the enterprise, the need for donors or investors, customers, and beneficiaries (Betha Foundation, 2016). Legally, each type of social enterprise may operate differently. There are two kinds of legal forms in which social entrepreneurship can operate in South Africa: for-profit and non-profit. The study briefly highlights the existing legal grounds on which they operate, as well as the benefits and drawbacks.

2.8.1 Social Enterprise for-profit Legal Form

This type of social enterprise has the advantage of sourcing and accessing finance and private ownership and may need help accessing donations and other charitable forms of assistance. They are easy and do not cost a lot to start. They can enter into partnerships with investors. The partnership benefits both parties by making contributions in order to acquire and co-own assets of the business (Betha Foundation, 2016). Profits from the partnership are shared according to the agreement. Because this operates on a private company basis, there can be many shareholders that can participate, which provides tax advantages and is legally suited for raising capital through equity and debt. One disadvantage is that procedures can be challenging to establish, and another is that maximising shareholder value can jeopardise the pursuit of social mission (Betha Foundation, 2016). They have a lower level of bureaucracy (Coetzee, 2016:3). Typically, research into corporate executives has focused on issues such as reducing the incidence of fraudulent behaviour on the part of the executives. This is not surprising given the spate of corporate scandals that have emerged. One principal mechanism that has been examined is the role played by non-executive directors (Low, 2006).

Funding for social enterprises in South Africa comes mainly from the sales of services and products; government funding comes in second, followed by charitable foundations (Gibs, 2018:6). Money collected from corporate social investment is mainly used for operational costs to improve the lives of the beneficiaries. The overview of significant sources of funding and revenue obtained is illustrated in Table 3.

Table 3: Revenue and funding

Source of funding	Revenue in Percentage
Corporate Social Investment	23%
Government department and entities	31%
Charitable Foundations	24%
Services and Sales Products	40%

2.8.2 Social Enterprise for non-profit Legal Form

Non-profit companies are required to register with CIPC and must comply with other formalities under the companies act. These formalities include keeping accounting records and must be audited in some cases. The name of the director must appear on company letters and other communications. All revenue received must be recorded; these companies do not pay tax if the profit made is reinvested into the company. It can be difficult for these organisations to persuade donors to continue donating because they must keep track of how well the donations were used. Social enterprises, as a non-profit legal form, can do many of the same things as traditional businesses; they are not limited and can sell their goods and services to their beneficiaries (Coetzee, 2016:3).

2.8.3 Policies for SMME

Policies for small, medium, and micro enterprises (SMMEs) need to be noted when talking about social entrepreneurship in South Africa because SMMEs are seen as crucial in addressing poverty and helping to incorporate informal businesses or organisations into the formal economy (Rogerson, 2016). SMMEs are also serving as a primary mechanism for reducing poverty and a poverty reduction strategy for our economy. Developing countries' development institutions are examples of a broader convergence of public policy aimed at global inclusion and social inclusion for poverty reduction. These policies are more interested in the technical and juridical aspects than the political and economic ones, and a disciplinary method is more appealing than a practical one for examining Africa's decentralised governance and poverty reduction programmes (Davis & Porter, 2003). In developing countries such as South Africa, SMMEs are regarded as the vital engine in reducing the unemployment rate and generating economic growth, mainly as a result of the global financial crisis (Jili, Masuku & Selepe, 2017).

Recent developments in the South African education system highlighted the need to redesign school curricula by 2024, said Angie Motshega (Minister of Education and Training). This includes adding entrepreneurship as a mandatory subject and robotics engineering (Sunday Times, 2021). This is to improve and stimulate innovation at a

younger age, to develop and improve their entrepreneurship skills, and to lessen the gap in unemployment among young graduates. This development will stimulate youth to start, register, and open SMMEs. A strategy was developed to reduce the unemployment rate and stimulate economic growth by assisting SMMEs in becoming more effective in the global market. In South Africa, the importance of developing SMMEs becomes even more significant for the achievement of social stability by creating jobs to address the high unemployment rate (Jili et al., 2017).

A steady increase in interest, or rather demand, for earning money has compelled many graduates to start small businesses. However, lack of resources still plays a major role in the downfall of many small-scale enterprise resources such as capital, place, and lack of knowledge. Although facilities such as SEDA are designed to assist with such issues, information with regards to such opportunities still needs to be provided. SMMEs contribute significantly to community development and the local economy.

2.9 ROLE OF DIFFERENT STAKEHOLDERS

Social entrepreneurs have a working relationship with different parties that play different roles. There can be a unique set of stakeholders for each social enterprise who may have a direct or indirect interest. However, the below-discussed types of stakeholders are common for all social enterprises. All these stakeholders play an essential role in the development of social enterprise. Stakeholders can be internal or external.

2.9.1 Government

Government plays a crucial role in terms of setting out regulations and policy frameworks for how any business should operate, and it is no different with social entrepreneurship. They operate in accordance with the laws enacted by the government. Government plays a crucial role in ensuring fairness and adherence to the framework. It also needs to strengthen its network in harnessing the power of social entrepreneurship by removing the barriers that prevent social entrepreneurs from succeeding (Bornstein & Davis, 2010). Government need to come up with innovative

funding methods to encourage the growth of social capital markets. There are few social entrepreneurs that effectively work with governments, and there are many that still need to have effective relations with governments.

Despite the limitations of such a system, income-based programmes have become an essential part of the government's response to poverty. Numerous policy instruments, including the Development, Employment, and Redistribution Programme, Social Assistance, and the Expanded Public Works Programme, such as social protection policies, have been implemented, mainly in social security grants but also in anti-poverty jobs and wages (Holle, Westoby & Soal, 2017). Currently, social relief grants have been provided in order to redress the issues of income and poverty among the unemployed. The social development department addresses social inequalities among communities through intervention programmes and policies. These inequalities of poverty, HIV, and substance abuse, which the National Drug Master Plan (NDMP) 2019–2024 launched on 26 June, 2020, The NDMP is a blueprint for combating the scourge of alcohol and substance abuse, which has reached epidemic proportions in South Africa (South African Government, 2019:1).

Solving problems through voluntary participation in local community institutions and organisations is a long-standing American and Western tradition that is increasingly regarded as critical by contemporary policy analysts for effective urban service delivery, health promotion and disease prevention, crime and drug abuse prevention, welfare reform, and mental health service delivery. Precision in our empirical understanding of this phenomenon and the process that occurs at the individual and community levels has been challenging to achieve (Chavis & Wandersman, 1990). The basic needs for frameworks focus solely on helping the poor to make their access to sanitation, protection, clean water, housing, education, adequate clothing, health, and other needs easier. South Africa has sought to make this point of view operational, mainly through its Reconstruction and Growth Strategy and its related programmes (Holle et al., 2017).

2.9.2 Big and Private Businesses

There appears to be much innovation and many relationships in private big business. Big business realises that social entrepreneurs understand and know how to work with

absolutely nothing and are great at identifying opportunities both in the developed and underdeveloped worlds (Bornstein & Davis, 2010). Business becomes partners with social entrepreneurs, and many of them are familiar with how social entrepreneurs work and give them a helping hand by sponsoring and funding them. The private sector plays a crucial role in accelerating the progress of social entrepreneurs.

2.9.3 Media

The media plays a significant role in shaping and helping society. As society is constantly changing, the content of the media needs to change too. In the news, conflict is more often reported than innovation. Social entrepreneurship is helping to change this notion. There are other social entrepreneurs who are creating systems to create positive reporting for the media. This gives the media a suitable role by making the work of a social entrepreneur visible. There is still a very long way to go for the media to capture many of the good stories of social entrepreneurs, just as it does with the stories of business and government (Oates, 2013). Media is a growing and constantly adapting platform that accommodates everyone and their businesses.

Because social enterprises are constantly developing new markets, it is critical to develop a marketing strategy that will benefit both your business and marketing strategy. There are, in fact, various scenarios in which social media can lead to innovation or decrease the performance of companies. Social media platforms are numerous, and within each type of social media (such as Twitter, Facebook, and Instagram), people tend to gather in groups that reflect their interests. Hence, observing one group of people on social media with a particular interest may lead to the creation of eccentric views that hamper managers; thus, it is crucial to understand the demands and requirements of other categories on social media. Thus, such an innovative decision would have an adverse effect on the company's performance, as it would not create real value and, hence, would not attract a substantial number of new customers (Alihaimer, 2021).

2.9.4 Community and Individuals

For any social entrepreneur who enters the field of social entrepreneurship, the goal is to deepen his or her relationships with broad sectors of people in order to be impactful and expand the knowledge that one needs so that one may understand what

value to bring to society. Without having the knowledge and lacking the skills needed to bring change to a community, one may unintentionally add to the negative leadership in the world. The community is one of the key stakeholders, as they will be the recipients of the product; therefore, they need to have trust and hope in you (Lepoutre et al., 2013). The term community development is defined as a social practise that allows society to collaborate on developing and analysing a collective plan for the purpose of increasing freedom and human capabilities (Westoby & Botes, 2013).

The authors Westoby and Botes (2012) add that there are different traditions, methodologies, and community development approaches; however, we hang on to many orthodoxies, such as collective action, engagement, and empowerment, the building of aware constituents, and collaborating with groups. Furthermore, the community development process is rooted in the context of the physical and social environment of the community (Chavis & Wandersman, 1990). Social scientists should apply a holistic approach to studying communities' human ecology, which empowers the community, as well as their social networks or relations, economic structures, and environmental resource needs. Community development in black townships usually lacks adequate structures, infrastructure, and implementation. Many communities need clinics near schools in their local community, adequate sanitation, housing, or roads. The South African community development policy, according to the Department of Social Development, should ensure that community members' needs are taken care of. The National Development Plan acknowledges that it is necessary to address the critical challenges of poverty, unemployment, and inequality to improve the short- and long-term prospects of current and future generations (South African government, 2019:3). Social entrepreneurship can play a significant role in addressing the lack of social cohesion (Jafta, 2013). For the community to progress and develop, there needs to be a mass mobilisation of resources to attain its social mission, and social enterprises have a remarkable ability to do that. Furthermore, social entrepreneurs exist in communities and are critical players in creating awareness of the problems faced by communities, and they attract attention to solving those problems by letting people participate in their development. Their ability to use resources that are usually seen as useless to achieve their objectives is one that makes them community-oriented.

2.10 IMPACT OF SOCIAL ENTREPRENEUR DURING COVID PANDEMIC

The description given by the forces is that the coronavirus is a multi-faceted global crisis that needs an exceptionally innovative response (Borgen, 2021:2). During the start of the pandemic, most socially minded enterprises across the globe came together and delivered much-needed services such as face mask, soap, sanitary wear, and other protective equipment to millions of families, reaching the most rural and impoverished families. This is an indication that social entrepreneurs are indeed always ready and armed with innovations to bring solutions to social problems. There were challenges encountered, such as travel restrictions and shipping obstacles that resulted in difficulty in selling the products, primarily to underdeveloped countries; however, this innovation and adaptation as standard components of business fostered opportunities to support their artisans and partners during this difficult time.

Social enterprises assist with translating public health information into native languages and sharing it through media platforms such as radio and social media, allowing accessibility and understanding of the impact of this pandemic for everyone (Footer, 2020). Significantly, social entrepreneurs are the gatekeepers to rebuilding our economy and providing innovative and strategic ways to implement standard. Prior to the pandemic, they were tackling systematic gaps and other challenges such as gender and racial injustices and inequalities, affordable health care, and financial inclusion for all organisations, including academic institutions. They can redefine norms and provide feasible solutions. After all, a social entrepreneur's definition is focused on building a better society and reforming the status quo through bold actions (Footer, 2020).

2.11 STRATEGIES FOR SOCIAL ENTREPRENEURS FOR ECONOMIC DEVELOPMENT

Social entrepreneurs are catalysts for social change and economic growth. They are market-driven, and their skills are critical in tackling social issues in new ways (Tanchangya et al., 2020). Social entrepreneurs have come up with many strategies for job creation and ultimately reducing poverty. For example, they see a viable opportunity arising from both crisis-oriented and vision-oriented factors. They can create jobs with a clear social mission of ensuring community employment. As a result,

there are relevant models that may have effective social enterprise governance. The notion that social enterprises form a distinct sector has become an acknowledged fact. They are typically classified as a subset of the non-profit sector. This would suggest that social enterprises will exhibit a democratic model of governance. However, as Dart (2004) notes, social enterprises "enact hybrid non-profit and for-profit activities." This suggests that, at least in theory, social enterprise governance may be a hybrid of for-profit stewardship and non-profit democratic models (Low, 2006). In brief, I suggest that social enterprises can be profitable or non-profitable, depending on their model of governance; however, they create employment, serve the betterment of a community, and contribute to the strength of our nation's economy.

Furthermore, there are two major suggested strategies that can be employed by social entrepreneurs: one is to establish a new social entity, and the other is to expand the existing social entity. It is the duty of the social entrepreneur to convince government bodies to support them with related reforms and legislation and for funding, and the social entrepreneur must constantly recognise the need for employment and adopt a market business model (Xiahong, 2010).

2.12 SOCIAL ENTREPRENEURSHIP AND JOB CREATION

The value created by social entrepreneurs all starts when the need to bring improvements to society is realised. As social entrepreneurs, they give part of their attention to the community they live in, which gives them an edge to be more innovative. When they recruit, they do it locally, and they most often choose those in need who struggle to get a job. They build local capacities and engage in the use of knowledge and extensive networks in seeking solutions to the problems facing poor communities (Lili & Yingjin, 2020). It tries to create employment opportunities, in particular for low-skilled people and those coming from disadvantaged backgrounds, who find it difficult to enter the labour market. As they assist in changing the lives of these people, they also help to benefit the economy of the country. Their work integration aims to include members of society who are currently excluded from productive activity (Lili & Yingjin, 2020). Social entrepreneurs do create jobs across different sectors of the economy, be it education, health, agriculture, or financial services. Social entrepreneurship can be used to break down barriers in some of the more difficult traditional industries, such as farming, crafting, and technological spaces

that change people's lives. In terms of gender parity, social entrepreneurship is more likely to employ more women by investing more resources and time in training them and giving them skills that enable them to sustain themselves (British Council, 2022).

Despite social entrepreneurship's huge potential to create jobs, there needs to be more support and investment it receives for its growth and expansion. In Sub-Saharan Africa, the review of social entrepreneurship ecosystems is only found in South Africa and is legally recognised and governed by the legislative frameworks of the country. Nonetheless, social entrepreneurship can be found in one-quarter of Sub-Saharan Africa. Even with the lack of support from the government, a few incubators are dedicated to giving support to social entrepreneurs as they scale their ventures.

2.13 CHALLENGES FACED BY SOCIAL ENTREPRISES

There are many socio-economic problems that face South Africa, such as poverty, unemployment, and inequality, which continue to haunt the most disadvantaged communities (Fedderke, 2019:4). The government and private sector must work together to create initiatives that promote local economic development and create more job opportunities in order to lift people out of poverty (Dzomonda, 2020:8). However, such collaborations are yield different results than the desired results. Both sectors are failing to cushion unemployment, inequality, and poverty, as well as other major social ills such as crime. This is caused by the government's major failure to deliver on the promises, despite the dysfunctional and almost collapsed governance in government departments and the entire public service sector. What complicates matters is the nature and culture of the private sector, as profit maximisation is driven by its goals, and social ills are only sometimes of great concern to them (Bacq & Lumpkin, 2020).

This has called for other options, such as social entrepreneurship, to play a part in addressing the issues confronting the country. As previously stated in the literature, social entrepreneurs seek to have a social impact while also profiting. Nicholls (2006:2) views social entrepreneurship organisations as networks that challenge conventional structures by addressing failures and identifying new opportunities in the institutional arrangements that cause the inadequate provision or unequal distribution of social and environmental goods and create sustainable businesses in communities.

This desire comes from the social entrepreneurship value of solving the problems of disadvantaged communities, fulfilling social objectives, and maintaining financial self-sufficiency (Dzomonda, 2020:9).

2.14 CONCLUDING REMARKS

In this chapter, the researcher has given conceptualisations of crucial concepts related to the study and discussed various factors that are relevant to the existence of social entrepreneurship from a global perspective to a regional level and down to a national level. Many actors that play critical roles in establishing and governing social enterprises have been mentioned and their roles and influences explained. The impact that social entrepreneurship has on society has been explored at great length, as has the social need that these organisations serve. The chapter highlighted the role of social entrepreneurship in poverty reduction and how the two concepts of social and entrepreneurialism relate. It also discussed the impact and strategies that social enterprises use and have for making social impact. The following chapter will put the data presentation on hold and discuss the findings from the interviews.

CHAPTER 3: PRESENTATION OF DATA AND DISCUSSION OF FINDINGS

3.1 INTRODUCTION

The study's findings have been divided into themes from the thematic method the researcher used to analyse the data received from the answers the participants gave. The researchers sought to analyse the data and grouped it into themes to clearly understand the findings. The researcher used NVIVO coding to analyse and manage raw data (Lakeman, 2009). The thematic analysis has helped the study put down its findings generated from the interview material; it has served as a supporting tool in the data analysis process as the study methodology was qualitative. Three themes in this study have sub-themes that reflect the research questions answers. They are:

- **Background to the research site poverty** in Mangaung with the sub-theme of poverty in Mangaung.
- **Role of social entrepreneurship in poverty reduction** with sub-themes Creation of Jobs and Skills Development.
- **Challenges faced by social entrepreneurs** with specific findings from the Anchor of Hope. With sub-themes which are government support, strain in keeping employees, the impact of crime and networking

3.1.1 Participants Demographic Information

Demographics in this study are outlined in Table 4 below. The researcher interviewed 19 participants. The sample population was diverse and included both females and males from different backgrounds in terms of race, age, and education standard each possessed, and they all live in the Mangaung area.

Table 4. Demographics of Participants

Variable		Number	100%
Gender	Male	8	40%
	Female	11	60%
Age	18-35	11	51%
	36-59	9	49%
Level of education	I never went to school	2	10%
	Primary school	5	25%
	High school education	8	40%
	College	0	0
	University	5	25%
Marital status	Single	9	49%
	Married	11	51%
Employment status	Permanent	20	100%
	Volunteers of the Organisation	16	70%
	Managers of the Projects	4	100%
	Beneficiaries	16	70%

The above demographic information of participants depicted on the table shows that more females, who constituted over 60%, participated and responded and that their age bracket was also diverse, as it can be seen that there were a fair number of those who fall under the youth age bracket (51%), and the middle age bracket (49%). In terms of educational level, that was one of the quite exciting factors in this democratic process, as we got to see that quite a large number of the participants have high school education (40%) and primary education (25%), indicating that these groups fall under the semi-skilled category. In most cases, as stated in the literature review (GIBS 2018), social enterprises mostly cater for this group of people. The demographics are in line with the literature.

3.2 BACKGROUND TO THE RESEARCH SITE

Mangaung Metropolitan Municipality is one of eight metro areas in the country and is partially rural compared to other metro areas. Poverty rates are at 27.7%, and poor service delivery is one of the big issues facing the city. (Census, 2022, p. 2). The Anchor of Hope has been one of the stakeholders in trying to bring a sense of relief and make a change to the dire state of living conditions of the people of Mangaung to restore the dignity of vulnerable people, irrespective of age, gender, ability, political background, or race. Projects and programmes focus on upliftment, development, restoring dignity and humanity, and providing a sense of worthiness and purpose. This is achieved by providing clothing, non-perishable food, and support services through a network, organisations, projects, feeding schemes, counselling, awareness programmes, pregnancy homes, men's shelters, and job preparation and creation projects.

3.2.1 Poverty in Mangaung

The first theme that can be extracted from the data from the interviews is to look at the poverty aspects surrounding the area. In this study, participants responded to the first question to explain the area in which they live (poverty/community).

A variety of responses from this theme point to the socio-economic factors in areas where the participants reside; the participants commented on underdevelopment and poverty as well as service delivery.

"The area I live in is underdeveloped, and I blame corruption by the government officials as people are struggling and poor without food and clothes", and

"No delivery of basic services by the government and the municipality is out of touch with people's struggles and poverty".

Furthermore, the participants also eluded to:

"Collapse of development infrastructure such as undeveloped schools that dilapidated infrastructure and poor services from local clinic and other health facilities".

Lastly, problems of alcohol and drug abuse seemed to be a concern.

"The youth in my area find alcohol and drug abuse easily accessible, and it is a big problem that is difficult to solve".

The second question highlighted whether there are organisations that assist people in the area. Organisations that were mentioned are the Anchor of Hope and the Pregnancy Crisis Centre and *"a certain pastor in his area who do charity work and provide food and clothes to the people in need around his area"*. The organisation helps needy people, house pregnant destitute women, and provide soup and maize meals every month. Anchor of Hope Pregnancy Crisis Centre houses pregnant destitute women and some disabled people.

Based on the second question, the participants' responses suggest they need to learn organisations that assist the community. It looks like most participants know and identify with *"the Anchor of Hope as an organisation that mostly helps them in trying to provide for their basic needs"*.

This lack of organisations that assist communities gives a clear indication, as stated earlier in the literature, that social entrepreneurs see there is a need to recognise that in the balance, there are opportunities that can be developed and turned for social good. Creativity, inspiration, and courage may be drawn to challenge the stability of the state and find a new balance that will free the trapped group. This could be done by forging a very stable environment around this balance. This will certainly make things better for the targeted groups and communities. Social entrepreneurship sees a problem in the community and identifies the opportunities for solving it (Manyaka, 2015).

These are the significant problems identified in the first theme commonly found in poverty-stricken areas. This also contributes to the literature review on poverty, a lack of or inability to afford basic needs (Chambers, 2006). Reference is also made to the fact that poverty has many manifestations, including ill health and the lack of access to education and essential services, which increase morbidity and mortality.

Socio-economic issues are prevalent in South Africa and are characterised by various factors that make it hard for people to get out of them. The triple challenges of inequality and limited access to resources continue to harm the better quality of life that people could have.

3.3 ROLE OF SOCIAL ENTREPRENEURSHIP IN POVERTY REDUCTION

One of the most noticeable impacts poverty has on people's livelihoods is unemployment. South Africa is one of the unequal societies in the world. The most recent report by the World Bank (2022:2) indicates that South Africa ranks low globally on economic measurement and unemployment rates. In the second quarter of 2022, the unemployment rate was 33.9%, down from 34.5% in the first quarter (Trading Economics, 2022, p. 3). The graph below indicates the trend in the fluctuation of the unemployment rate.

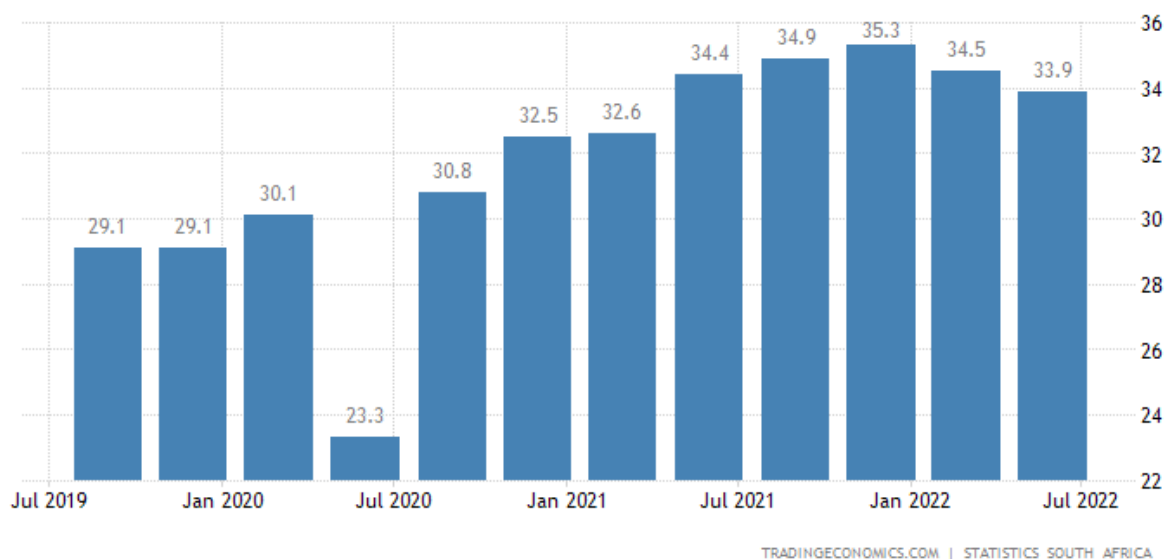


Figure 5: Unemployment Rate Fluctuation (SOURCE: Trading Economics, 2022, p. 3)

This theme has brought enormous attention to the problems mentioned by the people in the study. When asked about life before joining organisation,

"Life was tough, and I had no place to stay, and they gave me a shelter which I'm able to pay as organisation gave me a job".

In their own opinions, it was asked what organisation does to reduce poverty. Participants said:

"Before organisation my life was tough, and I had no place to stay, and they gave me shelter, which I'm able to pay as organisation gave me a job. And at the moment, I'm satisfied".

When asked what else can be done to reduce poverty in your area, participants suggested that:

"People should have their own vegetable garden and sell them and feed their families".

One participant mentioned various projects that the organisation does to reduce poverty and said, "they are different projects that are aimed at assisting with starvation like food parcel distribution and giving blankets and assist kids with a uniform".

Further elaboration was made to say:

"I think we need to have more organisations like the Anchor of Hope that government will work with and fight poverty. Encourage us young people to go to school and others to finish school because when you are educated, there are better chances of you to live better than the others who have no education".

With unemployment among the youth being the highest. A survey taken in the first quarter of 2022 for people in the age range of 15–24 was 63.9%, and for people between the ages of 24-34 years, it was 42% (Statistics South Africa, 2022:4).

When this group of youth was looked at in terms of educational level, Graduate unemployment was relatively low compared to those without this educational level. However, despite educational attainment, the unemployment rate among young graduates is still of great concern for the country. There seems to be a need for more participation by graduates in the social entrepreneurship sector, as issues of youth unemployment remain high.

Participants continued to express their dissatisfaction with the role of government in citizens' development, as evidenced by the following responses:

"I believe that government must be the one that should make sure that we South Africans live better, but it's not doing enough."

The other participant expressed that "I would love the government to stop the R350.00 grant and give people food vouchers instead because, with the litter money that government give as grants to the people who are in need, they misuse it for other purposes that do not help them in the end."

Other view that other participant uttered was "I think ward councillors are to be blamed because when projects for that have to hire the community members, they do not call us for meetings, only give jobs to their friends, and it becomes the same people in each and every project. Most community members don't benefit from those projects".

Further said "We need the government to give land and seeds so that we do community gardens like the Anchor of Hope encourages us to plant in our yards so we can eat with our families".

Results on these questions, given the answers from the participants, seem to indicate the considerable potential that social enterprises have when it comes to reducing poverty and creating jobs. This brings us back to the literature, as the findings of the British Council report (2022:3) indicate that social entrepreneurs do create jobs across the economy, breaking down barriers in some challenging industries and changing the culture of cooperation by bringing in more women and investing in skill transfer to the vulnerable.

Participants stated in their responses that they learned about the organisation from friends and others through their job-searching methods.

In order to establish the actual dynamics in huge unemployment rates that the country faces and which type or group of people are most affected. The researcher went further and looked at how unemployment affects people demographically. It is said that primarily young people are the one that is continued to be disadvantaged by the labour market.

3.3.1 Creation of Job

Most participants talked about employment opportunities that the Anchor of Hope has given them and changed and transformed their lives and the skills they gained and trained by the organisation. Among the responses, the following was said:

"In order to establish the true dynamics of the huge unemployment rates the country faces and which type or group of people are mostly affected".

According to reports, young people are disproportionately disadvantaged by the labour market.

"I live in a small area called Erlich Park. It is not an area that has rich people. We are just making it in life. That's for some of us that are working. I got this job through the help of Anchor of Hope, which have trained me with the handwork of making furniture".

I used to wake up and tell myself I would go around and see where I could get a job or something to do so that I could make money. There were days I would make money and go and drink it instead because I felt ashamed to go home with it. Since I found work in this Organisation, I have been able to have a monthly salary and provide for my family".

The other participant said that after losing his job due to the lockdown in 2020, when COVID-19 hit South African shores, he lost his previous job, and it became difficult for him to find a job. He met the guys of the Anchor of Hope in one of the busiest streets in Bloemfontein while he was just waiting and begging pedestrians for a job that they could give him. He was fortunately taken in by Anchor of Hope Volunteers, who provide garden services to both private and public spaces throughout the city.

The other participant from the Ester House Pregnancy Centre shared the same sentiments.

"She alludes that she was in stress and did not know how she would survive and when the baby was born how she would take care of the baby. She then heard from a friend that she could go knock at the doors of the Anchor of Hope for help. When she got there, she received the counselling she needed and was trained for sawing and eventually hired permanently in the centre".

Further responses were no different from the previous participants' stories. They expressed gratitude for how the organisation has helped them and allowed them to work in the furniture division of the organisation. Here, people in the same position as the participants manufacture furniture from scrap materials and refurbish other furniture.

Another participant noted that,

"he started as a volunteer in the organisation doing whatever tasks were given to him, and as time went on he was taken on a temporary basis and he is still serving as a

temporary worker. However, he responded with the hopefulness that he one day wishes to be permanently".

A lady with no formal education had difficulty finding a job, and the Anchor of Hope organisation assisted her in obtaining a permanent office cleaning job. There is also a project called Streets of Hope to provide temporary employment for the unemployed. The job descriptions, among others, are the cleaning of streets, the removal of refuse, grass cutting, and parking assistants for businesses. This action contributes to a cleaner environment and permanent employment (Anchor of Hope, 2020:10).

When the participants were asked what they thought of the quality of the organisation, they responded:

The quality is one of the best as they help vulnerable people".

"Grateful, and I wish other people who are struggling like I was before could receive the help I got from the organisation".

"I love how they treat us; they give us hope and love".

Further participants said:

"I enjoy working here, and our bosses are nice and treat us as humans and preach to us about the love of God. We should never give up in life, no matter the situation we find ourselves in. We must also show love to others in need. I have much respect for the work of that organisation".

"We are pleased as we get all that we need, and we get good protection from us women and children in the house, and we are given food daily and clothes".

3.3.2 Skill Development

When the manager of the Anchor of Rest division was asked what the purpose and aim of the organisation were, he said:

"Our Mission as the factory-making furniture division is to produce the highest quality and standard through training and mentorship with previously unemployed people.

Making something out of nothing creates pride and the ability within people that unlocks their hidden potential”.

He went into detail about the vision of the division within the Anchor of Hope and gave statistical information. He said the vision is:

- Job creation
- Creating financial sustainability for Anchor of Hope
- Training and skills development

Currently, Anchor of Rest employs seven people to make couches and the upholstery of bus seats. We are making 40 couches (1- and 2-seaters) and corner couches per month. The orders determine the employment figure. We have recently added a new range to our couches, ottomans, and tables to widen our product range. We also subcontract work to other NPOs, such as the scatter pillows on the couches. The profit on these couches is ploughed back into Anchor of Hope to create financial sustainability for the organisation. Anchor of Hope (2020:20) stated that the organisation makes the point that creating a financially stable environment for Anchor of Hope is very important to continue making a difference and impacting the economy, community, and needs of people. Anchor makes the possibility of growth and impact reality by not relying on donors and transitioning from an unsustainable to a sustainable organisation.

To ensure sustainability, the organisation, through its different divisions, provides skills training and rehabilitation for the beneficiaries. Those projects are:

3.3.2.1 Anchor of Rest

They have projects transforming lives and uplifting individuals to impact their world through skill development. Manufactures and sells high-quality furniture to the public and selected retailers. This is made possible by the training and skill development of unemployed individuals, with the vision of job creation and creating a sustainable income for all parties involved. The factory also upholsters bus seats and makes tables, headboards, ottomans, and corporate gifts. Profits from items manufactured and sold by the factory are used to cover the company's operating expenses.

3.3.2.2 Light House

The Lighthouse Center of Hope is a men's shelter that focuses on rehabilitating men living on the streets. The main objective is to uplift and counsel these men while re-establishing life skills through various programmes and projects. Addicted men are rehabilitated by being placed at or referred to qualified and registered rehabilitation centres. Various job creation projects ensure that these individuals are reintroduced to their community while being uplifted through renewed or added skills. Place these men back into the community by giving them a chance to be employable through job creation projects and to impact the immediate community through various outreach projects to the surrounding communities.

3.3.2.3 Esther House

Inadequate access to and affordability of essential sanitary products cause an alarming number of female scholars to be absent from school for the duration of their menstruation cycle. These cycles could add up to 12 weeks per year, harming their self-image and educational performance. Focus on the dignity and sanitary provision provided to these young scholars through manufacturing washable sanitary pads, which are supplied to scholars employing cycle kits. Each cycle kit consists of four daytime and two nighttime sanitary pads, including Ziplock bags in a carry bag and full washing instructions. The project allows girls to attend school without monthly interruptions while simultaneously creating jobs for those who sew these sanitary pads. Esther further focuses on informing these girls about their bodies' biological processes. The product is a cost-effective and affordable solution for poor communities and contributes to a better self-image and hygiene awareness among female scholars.

3.3.2.4 Bakery

The Bread of Life bakery is mainly operated by people with disabilities, giving them a sense of worthiness irrespective of physical or mental ability. The Bakery is situated at the Free State Residential Care Centre (Afrikaans: Vrystaat Nasorgsentrum). Bread of Life staff is trained and equipped to develop skills that will allow them to feel dignified and accepted by the community while providing essential services to the community

daily. Bread and cookies are freshly baked and delivered to retail organisations and individuals.

3.3.2.5 The People Upliftment Programme (POPUP)

The People Upliftment Programme (POPUP) was established in 1999. POPUP gives individuals hope through various skills programmes where they can obtain skills to help them find employment or start their enterprises. POPUP ensures a high-quality workforce through SETA-accredited training and life skills training. Attendees are also trained in basic skills such as work ethic, professionalism, financial literacy, and entrepreneurship. In addition, POPUP can also be approached to act as a placement agency for entry-level employees.

3.3.2.6 Pregnant Crisis Centre of Hope

The Pregnancy Crisis Centre of Hope (PCC) was established in 2015 to focus on women dealing with unwanted or unplanned pregnancies. The PCC equips pregnant women to make informed decisions. The centre currently serves an estimated 25 women per month by providing a safe environment, counselling, and temporary accommodation for them and their newborn babies. All women are supported with pre- and postnatal care, counselling, emotional support, and all relevant information. Where women consider adoption or foster care, they provide referrals to the relevant registered institutions. PCC offers school-based abstinence programmes, and post-abortion counselling is provided where needed, along with guidance, information sessions, and training for counsellors. PCC partners with various doctors, including the Esther Women's Wellness Clinic (for pre-natal classes and sonars), El Pizo House of Hope (for foster care), ENGO (for adoptions), and the Department of Social Development (for social services).

3.3.3 Partnerships

When the head of the Anchor of Hope was asked whom the regional stakeholders work with and how the relationships are, he referred to various and diverse groups of stakeholders. Anchor of Hope partners with different organisations from different sectors of the economy to strengthen its external relations and ensure the growth and

sustainability of an organisation. It values the contribution of each project partner and has received several endorsements from these reputable institutions and partners.

Here is a summary of some endorsements:

Tau Pele Construction

Tau Pele Construction is a company that specialises in constructing new roads and rehabilitating existing ones. *"It is with great pleasure for Tau Pele Construction to offer endorsement and support to Anchor of Hope (Anchor of Hope, 2020) in achieving their goal to restore dignity to vulnerable people-irrespective of age, gender, ability, political background or race. Tau Pele Construction is proud to support and play our part in making this vision a reality. We wish you well in your continuous efforts to make a difference within the community of Bloemfontein and surrounding areas"*. This was on an endorsement letter dated 07 February 2020, Tau Pele Construction, by: M Prinsloo (Director).

Route Management

"Anchor of Hope is well-positioned to augment the work of the donors, based on their established networks for their clothing bank, feeding schemes, disaster relief and many other services. I will recommend that organisation or company partner with Anchor of Hope Ministries". By: Hendri Viljoen, Route Management.

Industrial Development Corporation

"Anchor of Hope Ministries is a small organisation but has achieved tremendous success organising itself to address the dire social needs in their community. It was founded and managed by a passionate team delivering various much-needed community services. They are committed to assisting the vulnerable, poor and hungry and-most significantly-work with the community with dignity" By Luana Malan, Industrial Development Corporation (IDC).

Towers of Hope

"At this moment Towers of Hope gladly endorses Anchor of Hope as a partner of preference with whom we have fruitfully co-operated on various projects in the past"

five years. Since the inception of this partnership, we have been impressed with the professionalism and accountability with which Anchor of Hope operates in its various activities". By: De la Harpe V le Roux, Towers of Hope.

Dutch Reformed Congregation

"Boeta Swart and his team deliver a professional, free-of-charge service all over Bloemfontein and surrounding areas. We also receive regular feedback on their activities and the support given to different institutions" By: Deon Langenhoven, Pellissier.

3.4 CHALLENGES FACED BY THE ANCHOR OF HOPE

Even with the vital role that social entrepreneurs play in poverty eradication and other community enhancement projects, they are faced with common challenges that are sometimes unique to a particular group of social enterprises. The study's scope includes discovering the challenges faced by social entrepreneurs in combating poverty, with a specific focus on the Anchor of Hope case study. The management alluded to various problems that hindered their productivity, effectiveness, and efficiency, and the following factors seemed to be the dominant contributors to that:

3.4.1 Government Support

Social entrepreneurship has received little to no support from the government; this is a common challenge across Africa (Yusoff et al., 2021). Government prioritises profit-making entrepreneurs while overlooking social enterprises and non-profit organisations.

As a result, most developed countries' social enterprises seek assistance from abroad. This is a gloomy site as social entrepreneurs on the continent work hard and dedicate their time and resources to tackling major problems that government fails to address, such as poverty, unemployment, and inequalities (Littlewood & Holt, 2018). The Head of the Anchor of Hope made it very clear that there is zero support that they get from the government.

"We receive little to no support from the government" Our initiatives benefit the government; however, the help from the side of government is disappointing".

Issues tackled by the organisations are social ills, which are the responsibility of governments which seem to fail to address them fully. Investments in social entrepreneurs stand as a remedy to the problems facing undeveloped and developing countries. In South Africa, social entrepreneurs need more support from the government.

When responding to what the organisational model for organisation is and why they responded:

"Its NPO build on a sustainable business model" We believe in impacting and changing people's life; hence we create and provide people with sustainable jobs. These jobs are created through various partnerships and initiatives. We identify not just helping but as believers in Christ we have to make internal value".

When asked to elaborate on how organisations are funded, the participant mentioned that:

"Our funds its 30% private donor and 70% self-created financial project"

Malunga et al. (2014) point out that there needs to be a supportive legal environment. As identified early in the literature, there needs to be a clear and entirely composed legal framework. This is a challenge in South Africa.

The management, when asked what legal form they use to run your non-profit and for-profit businesses, Why? They explained in detail how they do it, citing relevant regulations and saying:

"Partnering with Anchor of Hope Ministries not only allows you to contribute to a worthy cause but also affords organisational financial advantages".

Anchor of Hope holds the following financially beneficial certifications:

- Level ONE B-BBEE enterprise-Certification date:
- 15 July 2019-135% B-BBEE Procurement 2. Article 18A SARS certification-Certification date: 14 July 2009-PBO No: 930030823

The Anchor of Hope prides itself on transparency and how funds, goods, and services are managed, distributed and applied.

Herewith is a summary of all relevant documents. All documents are immediately available or can be obtained on request.

- NPO certificate (Registered 23 March 2009)-Registration number: 067-556-NPO
- Audited financial statements for the year ended 31 December 2018
- Tax clearance certificate of good standing-Valid until 21 July 2020
- Clean government audit-Compiled and submitted on 1 August 2019
- VAT registration-Registered on 4 October 2017; Reference: 4110279314
- Compensation for Occupational Injuries and Diseases (COIDA), Department of Labour Certificate of good standing-Date: 20 July 2019; Registration number: 990001156660
- Unashamedly Ethical-Non-profit organisations
- Monthly audits-Dedfin-Elaine Dednam 083 3888 698
- Quarterly distribution list
- A monthly stocktake of all donations
- Quarterly newsletter

3.4.2 Strain in Keeping Employees

To move forward and carry out its daily activities, an organisation requires competent people with the necessary skills. Social enterprises are no exception to having staff with requisites such as accountants, legal advisers, project managers, fundraisers, and general staff. This was reflected earlier in the first chapter in the introduction section of the Anchor of Hope organogram. It is composed of different people with different skill sets. This is supported by Wronka-Pospiesh (2016) argues that social enterprises need specific skills and competencies to function optimally. The management alluded to this:

"We face challenges of competing with the traditional business, making it difficult to fulfil our mission and reach our goals. Expansion of our different divisions is a challenge as it is more capital investment".

Attracting highly skilled professionals is one of the problems in social enterprise. Some social entrepreneurs pay salaries below market value in the labour market; this puts them at risk of losing key employees to private companies with better salary offers (Baporikar, 2017).

The participant further said:

"We encounter challenges with aspects of great productivity and growth of social enterprises as a great part of our survival comes from donations which need high-quality accountability, and we need to make sure the organisation has the steward such as qualified accountants to manage books".

3.4.3 Crime

Crime in South Africa has increased since the lockdown. This impacts many businesses, and as a result, these businesses must invest in security, which comes at a cost to the company. The participant mentions that the Anchor of Hope has permanent security personnel operating 24 hours a day in shifts. The participant further said:

"This affects the cost of doing business as we need to upgrade security measures in place due to the risk of robberies as we are located in the industrial site of town".

South Africa is one of the top countries with crime rates increasing daily (South African Police Services Statistics, 2022:1).

3.4.4 Networking

When doing business, you must consider the location from which you will operate. Many African social entrepreneurs are from rural areas and struggle to access road networks due to poor infrastructure. This makes it difficult for them to access the most needed resources for their operations. The Anchor of Hope's Head hinted that:

"It outsourcing of services from other provinces like Gauteng makes it difficult for them to maximise profit at a desired rate" the other challenging matter is that in suburban areas, the rental cost is very high".

The challenges mentioned above are those that the Anchor of Hope faces in the organisation. The management showed what hinders them from doing their job at maximum efficiency.

3.5 CONCLUDING REMARKS

Culminating this chapter thoroughly presented the study's findings on the role social entrepreneurship plays in fighting poverty. The chapter gave a picture of the operational model for the Anchor of Hope and stated the challenges that social entrepreneurship comes across and the different factors that affect social enterprises. The Anchor of Hope has different projects that maximise their profit, raise funds for the organisation's sustainability,, and lay out the challenges that the Anchor of Hope faces. The next chapter provides recommendations and a conclusion.

CHAPTER 4: RECOMMENDATIONS AND CONCLUSION

4.1 INTRODUCTION

The following recommendations result from the inferences made from the earlier chapters (literature chapter 2 and the findings from chapter 3). The interviews and documents served as the basis for a comprehensive understanding of the phenomenon under study. This study aimed to assess social entrepreneurship's impact on reducing poverty, especially in the Mangaung area, by looking at the case of Anchor of Hope (NPO).

Chapter 3 examined the findings from an example of a social enterprise, Anchor of Hope. The main themes discussed were the poverty background in Mangaung, the role of social entrepreneurship in poverty reduction, and challenges faced by social enterprises, with specific findings from the Anchor of Hope. Additionally, the willingness of the participants to take part in interviews enabled the researcher to derive the following recommendations:

The study aimed to assess social entrepreneurship's effects on reducing poverty. The focal point was to present the findings of the study in order to address the research objectives as outlined in chapter 1, which are:

- To have a better understanding of social enterprises in fighting poverty,
- To explore the role of social enterprises in fighting poverty,
- To identify challenges faced by social enterprises in fighting poverty,
- To investigate the role of social entrepreneurship in poverty reduction in Mangaung and,
- To make recommendations and new ways regarding the role of social entrepreneurship in poverty reduction.

Social entrepreneurs are individuals who explore business opportunities that have a positive impact on their communities or society. They actively seek opportunities or innovative ways to transform and add social value to people's lives while pursuing a social mission. The concept can be widely applied to organisations with different aims, beliefs, and sizes. They can be non-profit or combine for-profit goals with a positive social return. They use different business methods.

Poverty, on the other hand, is one of the world's most complex social issues or challenges. Poverty is when a person or society lacks the financial resources and essentials to maintain a minimum standard of living. The study's findings indicate that social entrepreneurship can play a catalytic role in fighting poverty. Social entrepreneurs should be viewed as the alternative way to assist the vulnerable marginalised with their basic needs, as they focus on the financial and social bottom line. As one strategy for overcoming the challenges of poverty and high inequalities in the country, we must start to have a better understanding of social entrepreneurship, as there seems to be a need for more understanding of what it means. Education is one of the powerful tools to break the cycle of poverty, and encouraging and educating people about social entrepreneurs can play a significant role in breaking the cycle of poverty.

Just as social enterprises are changing how business is done by using innovative business models and operating in resource-constrained environments to solve social problems, modern investors must change how funding is deployed. Aside from changing the financial instruments used, this is also an opportunity for investors to evolve the funding relationship at an early stage. Start-up entrepreneurs often have limited capacity for fundraising, and many entrepreneurs, especially young innovators, need more networks. A need for more networks to reach investors is one of the most significant barriers. The great promise of social entrepreneurship is the ability to leverage the abundant private sector capital available towards addressing poverty, unemployment, inequality, and pollution. However, for these enterprises to meaningfully play a part in tackling our most significant development challenges, they must be nurtured and supported until they scale up.

4.2 RECOMMENDATIONS

South Africa is currently fighting inequalities, including high levels of poverty and unemployment. Social entrepreneurship is a crucial tool for fighting and reducing poverty. The country must identify factors that affect social entrepreneurship as a tool to reduce the high rate of poverty and promote economic growth. South Africans need to be taught about the vital role that social entrepreneurship plays in society.

Emanating from the literature review and findings, the following recommendations are made:

4.2.1 Promote Awareness Around Social Entrepreneurship

There is a great need for the government, private sector, institutions of higher learning, and society to come together to educate people about social entrepreneurship and its impact on society. An increase in awareness will help change ordinary people's mindset and perspectives about social entrepreneurship's role. It will help and may inspire young people to become social entrepreneurs and see the value in improving citizens' lives. Policymakers have a considerable role to play in this regard by creating laws and regulations that will promote good governance and eliminate confusion around social enterprises. In order to achieve this, the government must engage everyone and all players in collaborations and networking. This will improve and promote the access of the different players in the social entrepreneurship sector to achieve the common goal of making a social impact.

4.2.2 Give Support and Create to Social Entrepreneurs Incubators

Social enterprises need to be given support in their programs, and accelerating incubators is crucial to the development and growth of social enterprises by building support, establishing the model of support, and assessing the needs that social enterprises lack to expand and be able to grow, Expert knowledge and hiring managers with experience and skills who will demonstrate abilities to the development of social entrepreneurship and bring problem-solving to poverty reduction. Given enough time for training and mentoring, ensure that programmes include peer-to-peer learning and support for social entrepreneurs. Build inclusive jobs and decent work into incubators and accelerators from the early stages. Collect the impact data from social enterprises to better understand the programmes that are needed for social entrepreneurs. Choose the social enterprises that deserve incubators or development programmes from the data and provide the necessary impact support programmes and resources. Ensure baseline data is collected when social enterprises join the incubator and on leaving the incubator. Give incentives for data collection, especially to the social enterprises that have completed the programs. Allow the data to be made

public so that other social enterprises can learn from the results and be inspired to function more effectively and efficiently.

4.2.3 Development and International Agencies

The importance of development and international institutions cannot be overstated. The assistance should be advisory, with programmes that help social enterprises understand the environment in which they operate or are surrounded. Prioritise capacity building and collaboration with local entities and consultants. Determine the best way to distribute funds for resource projects and award long-term contracts to internationals.

4.2.4 Different Stakeholders

Considering there are many role players involved in social enterprise productivity and that there are many challenges and problems that social enterprises encounter, the following recommendations are directed at specific stakeholders.

4.2.4.1 Social Enterprises

Social enterprises need to look at applying for funding from their local big commercial banks and other local equity partners and expand their horizons in terms of sourcing funds. The local banks may better understand their concept and the problems that affect them than other international investors, who may implement the resolutions in their western approach. They must think of new and innovative ways to fund their models and provide more reasons for funders to invest in their mission and vision. Social enterprises must collaborate or form joint ventures to promote each other's visions, explore opportunities, and exchange expertise. The sector must explore innovative partnerships with other sectors and have a broad view of their sector. Their working in silos does not assist them in looking at new collaborative approaches with cost-sharing and cost efficiencies that influence economies of scale. Funders may see these collaborations as a solid foundation for providing more support and creating an opportunity to fund a portfolio of grantees. These collaborations and relations strengthening are critical for social entrepreneurs and their sector's growth and development. Social issues do not exist in a vacuum, and it is for this reason that social entrepreneurs must partner together to solve them. This will reduce competition and

rivalry among social enterprises and shift their focus from competition to cooperation, allowing them to work together to achieve their goals.

Social entrepreneurs should start looking into collaborative work. Have joint projects as social enterprises to build a collective voice that would facilitate or advocate for reforms that would favour them. Provide advice and guidance to one another on establishing and registering their businesses. They can work, generate profit, and be self-sustaining. Seek financial training on how they should manage their finances and bookkeeping. Have knowledge of monitoring and evaluation to assess their social impact. It is crucial that social enterprises go to more rural areas rather than primarily focusing on urban areas, as is the current situation; they are primarily found in the Western Cape and Gauteng, urban provinces.

4.2.4.2 Government

According to the study, social entrepreneurs seek assistance from the government, but they need to receive the full-scale support they so desperately require. If the government could collaborate more with social enterprises, this could provide a huge opportunity to scale a product. They already have infrastructure that they could offer social enterprises to use for innovative ideas. They could create a winning team if the government could value the kind of work they do. The government's way of working is long and can be winding at times, with many unknown surprises. This could result in regress or failure of progress, but the government could put more effort into engaging with social enterprises and better understanding their vision.

The South African government needs to recognise social enterprise and entrepreneurs in policy and legislation, but there was no standard definition for it. The government needs to have holistic measures in place to support social entrepreneurs. Examine the existing programmes they have in place and evaluate their effectiveness in addressing the challenges they face. Give clear policy direction and invest more resources, which are much needed. Decide on the standard definition of social enterprises suitable for the South African context. These fundamentals will enable the government to create and implement policies to govern and support social enterprises. Create a space for policy to be decided based on evidence. Make a comparison between social enterprises and traditional profit-making businesses and NGOs to see the stumbling

blocks that hinder social enterprises from being effective and efficient like their competitors in traditional business. Use the social enterprise model to develop schools and provide universal access to quality education, helping young people get the skills and experience they need to improve their livelihood prospects. The education focal point should be information and technology (ICT) literacy, innovations, and social impact. Increase post-educational training on social entrepreneurship and productivity, and efficiency. Establish a good and robust labour market by having sound laws that will encourage employers in the social entrepreneurship sector to work within the formal sector and provide fair working conditions. Encourage big corporations and other commercial institutions to donate a portion of their profit to social enterprises. The government must provide guidance and monitor the banking sector's role in growing and giving sufficient support to social enterprises.

4.2.4.3 Beneficiaries

From the study, it appears that the role played by social enterprises has a substantial social impact on those that benefit from their services and assistance. It is also vital for the beneficiaries to go out into the world with the skills they have received and upskill themselves further. The world we live in today needs people with knowledge and experience to get out of poor living conditions. It is also imperative that the beneficiaries get to understand the type of environment they are functioning in to identify opportunities they could use for themselves to improve even more in their personal capacity. These beneficiaries not only benefit individually, but they also make a difference at home with the salaries they get. It is advisable that they teach young people about the importance of getting an education and skills. They should tell communities about the role of social entrepreneurs and the difference they make in people's lives.

4.2.4.4 Private Sector

The private sector and social enterprise collaboration can significantly build an inclusive economy that benefits more people. The private sector should engage with social enterprises more frequently for various reasons. Social issues affect the business negatively. Unemployment, homelessness, drug abuse, and many others harm business. When people are not working or do not find work opportunities, they will not

have money to buy goods and services from the business sector. As social enterprises try to champion and solve this social problem, businesses need to put more effort into supporting them. The private sector's engagement with social enterprises should focus on the benefits that social enterprises bring in terms of opening new markets and new innovative ideas that create space for new business opportunities. They could have joint contracts and partnerships as options for working together.

Businesses can contract social entrepreneurs into their supply chains; this could be done through contracts such as catering, hiring office space, or any other business that could assist a social enterprise with revenue generation. The private sector could volunteer to do skill exchanges for development and learning for social enterprises. Other examples of private social partnerships include consumer demand, procurement, and supply chain. The sector does have some poor practices and behaviours, but they need to know the good that can happen through philanthropic work, CSR, and other charity work. To take traditional activities and develop them into innovative ideas should be a private sector priority. More mutually beneficial relations could be strengthened; by doing so, they will exchange knowledge, positive influence, and business culture and build an economy that will benefit everyone. The two must form a partnership and look for new ways to collaborate as allies and make a social impact in the world.

4.3 LIMITATIONS

There were limitations that were imminent and challenging to the study. The limitations were resources, time, and access to the people that will form part of the study (Maree et al., 2017). The limitations may have an impact on the findings and data interpretation. As a result, the researcher identified potential limitations and strategies for dealing with them. The possible limitation were: Time constraint: the researcher is mindful of time constraints that may be a significant concern in meeting the submission deadlines—lack of previous research studies on the same topic. Despite numerous previous research projects on social entrepreneurship, A literature review has provided the theoretical foundation for research questions and their investigation. However, it is crucial to note that new gaps to be identified in this study will present a

need for further development in this area of study. Moreover, lastly, the scope of the study's discussion is due to a lack of experience conducting research at this high academic level. The scope of depth for discussion may in some way get compromised, which could limit the study and the completeness of the information that is desirable for the study. One significant limitation encountered in this study was that it was intended to conduct focus groups as part of its data collection method. Due to reasons beyond the control of the researcher and the participants. Questionnaires were then distributed and collected at a later stage. Some of the interviews were done by separating the participants due to language barriers and giving them the comfortability to answer in the language they understood better and were more comfortable with.

4.4 FUTURE RESEARCH

Social enterprises function in an environment influenced by contextual settings; this creates gaps that need to be thoroughly explored. It is therefore vital that, for future research, some of these gaps be addressed. One of them is that social entrepreneurs operate differently in different countries. This can sometimes lead to confusion about what constitutes a social enterprise. Social entrepreneurs in developed countries face different challenges from those in developing countries. They are also influenced differently in terms of culture, competition, and socio-economic factors. This should highlight the path for future research to investigate different types of social entrepreneurship in different parts of the world.

One of the considerations should be to look at the industry in which social entrepreneurs function, as they get affected by the industry they affiliate with. Some social enterprises are in education and health, while others operate in microfinance. Exploring the industry will give insight into the phenomenon. There is many potentials for social entrepreneurs to be given attention and understood in terms of the industry they operate in; this will give researchers a chance to explore the processes and challenges social entrepreneurs face in their different industries. Another focus point for future research is to look at the product management of social enterprises and the creativity that they bring to the table. We should look at the different types of business models used by social enterprises to get a better understanding of how they survive.

4.5 CONCLUSION

In the study, it is confirmed that social entrepreneurship has significant and positive effects on poverty reduction. Social enterprises can be a sustainable tool for fighting poverty. The relationship between poverty and social entrepreneurship is intertwined, as both operate in a community space and are affected by the societal dynamics of that place. In the study, it is found that one of the striking elements of social entrepreneurship is its ability to have both features of the business and volunteer sectors. This combination makes it hard to have a clear-cut definition of social entrepreneurship. The government needs to play a more significant role in supporting the work of social entrepreneurs and not only play a role in legislating for it; it also needs to put more financial and infrastructural resources into it in order to give more value to the work that they do.

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APPENDICES

ANNEXURE 1: RESEARCH STUDY INFORMATION LEAFLET AND CONSENT FORM FOR REPRESENTATIVE OF SEs

DATE: June 2021

Date of research project: 1 May-30 November 2021

TITLE OF THE RESEARCH PROJECT

Noluvuyo Matebese The role of social entrepreneurship in reducing poverty: The case of Anchor of Hope in Bloemfontein

PRINCIPLE INVESTIGATOR / RESEARCHER(S) NAME(S) AND CONTACT NUMBER(S):

Noluvuyo Matebese 2007060128 0739729427

FACULTY AND DEPARTMENT:

Faculty of Economics and Management Sciences

Centre for Development Support

STUDY LEADER(S) NAME AND CONTACT NUMBER:

Dr Deidre Van Rooyen

051 401 7059

Email: griesd@ufs.ac.za

WHAT IS THE AIM / PURPOSE OF THE STUDY?

The main aim of the study is to explore the role of social entrepreneurship on community development and poverty, by using the cases in the Free State. And to address the gaps and offer recommendations to policy makers such as government institutions and non-profit organisation that there is a link between these concepts.

WHO IS DOING THE RESEARCH?

We are master's students at the University of Free State. The study is conducted for the purpose of fulfilling the requirements of master's degree in development studies. It is a research on Social Entrepreneurship, Community Development and Poverty.

HAS THE STUDY RECEIVED ETHICAL APPROVAL?

This study has received approval from the Research Ethics Committee of UFS. A copy of the approval letter can be obtained from the researcher.

Approval number: [Click here](#) to enter text.

WHY ARE YOU INVITED TO TAKE PART IN THIS RESEARCH PROJECT?

We would like to investigate how social enterprises can enhance community development and reduce poverty. Three. Organisations were chosen as an excellent case to obtain best practice and recommendation. For other social enterprises and policy makers. These case studies are Agape Foundation in Makwane village, Qwa, Family Transformation Centre in Wilgehof, Bloemfontein and Anchor of Hope in Bloemfontein. Each case will involve 8-10 participants (total 25-30) from the area, including LED officials, LED Councillors, Tribal Authority Representatives, representatives from the organisations, volunteers, stakeholders working with the organisations and community members or beneficiaries. The following criteria will be used to select the participants for the study. To qualify for the study, a participant must belong to the categories mentioned above. The participant also has to be older than 18 years and be involved with the organisation in some way.

WHAT IS THE NATURE OF PARTICIPATION IN THIS STUDY?

The participant will be requested to respond to the question as per the interview schedule. Interviews will be recorded in order to assist the researcher when doing data analyses. The field work exercise is anticipated to last for a period of the month but the study will be completed by the end November 2021. To achieve the broad aim of the study participants would be require to explain their knowledge and understanding

on social entrepreneurship, community development and poverty. Each of the interviews will take approximately one hour.

CAN THE PARTICIPANT WITHDRAW FROM THE STUDY?

Participation in the study is voluntary and the participant is under no obligation to consent to participation. By participating, the participants will be granting the researcher permission to use their responses. Participants may refuse to participate or withdraw from the study at any time with no negative consequence. If you decide to take part, you will be given this information sheet to keep and be asked to sign a written consent form. You are free to withdraw at any time and without giving a reason.

WHAT ARE THE POTENTIAL BENEFITS OF TAKING PART IN THIS STUDY?

There will be no materialistic or monetary benefits for participating in the study. However participation may be beneficial to the organisation in terms of findings and recommendation. Findings and recommendation may be of assistance to the organisation by getting the feedback on community development and poverty issues. They can also assist in future planning and implementation of community development programmes.

WHAT IS THE ANTICIPATED INCONVENIENCE OF TAKING PART IN THIS STUDY?

A crucial anticipated risk in the study is the COVID-19 pandemic. However, risk will be mitigated by following the Covid 19 regulation, which include washing of hands, sanitizing, wearing of mask and keeping of reasonable social distancing when conducting the study. Telephonic interviews will also be done with those participants who may not be comfortable with the physical contact.

WILL WHAT I SAY BE KEPT CONFIDENTIAL?

The consent of the participants will be sought prior to the study. The participants' anonymity will be protected by substituting their personal information with pseudonyms within the dissertation and future publications. In terms of confidentiality, data collected from the participants will be used only for its intended purpose. The transcribed data will be stored on USB and will be kept at a secured place within the university.

Participants' answers will be given a fictitious code number or a pseudonym and they will be referred to in this way in the data. Participant's answers may be reviewed by people responsible for making sure that research is done properly, including the transcriber, external coder, and members of the Research Ethics Committee. Otherwise, records that identify participants may be available only to people working on the study, unless participants give permission for other people to see the records. A report of the study may be submitted for publication, but individual participants will not be identifiable in such a report: While every effort will be made by the researcher to ensure that participants will not be connected to the information that will be sought during interviews especially on the side of the beneficiaries, We cannot guarantee that other participants will not share given information. We shall, however, encourage all participants to keep their responses confidential. We will explain to the participant they can withdraw from the study at any time with no negative consequences.

HOW WILL THE INFORMATION BE STORED AND ULTIMATELY DESTROYED?

All data, both electronic and hard copy, will be securely stored during the study and archived for 5 years. After this time, all data will be destroyed. Hard copies of your answers will be stored by the researcher for a period of five years in a locked cupboard/filing cabinet for future research or academic purposes; electronic information will be stored on a password protected computer. Future use of the stored data will be subject to further Research Ethics Review and approval if applicable. Indicate how information will be destroyed.

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HOW WILL THE PARTICIPANT BE INFORMED OF THE FINDINGS / RESULTS OF THE STUDY?

If you would like to be informed of the final research findings, please contact the researchers: 1. Thandeka Mosotoane @ tmosotoane@gmail.com or 0783647837; 2. Lianda Pringle @ lala.pringle@gmail.com or 0796962881 and 3. Noluvuyo Matebese @ Noluvuyo Matebese vuvuyo@gmail.com or 0739729427. The findings will be available for the period of five years after the completion of the study. Should you require any further information or want to contact the researcher about any aspect of this study, please contact the researcher on the above stated contacts. Should you have concerns about the way in which the research has been conducted, you may contact my supervisor Dr Deidre Van Rooyen from University of Free State at the following contacts: telephone 051 401 7059, email address: griesd@ufs.ac.za.

Thank you for taking time to read this information sheet and for participating in this study.

CONSENT TO PARTICIPATE IN THIS STUDY

I, _____ (participant name), confirm that the person asking my consent to take part in this research has told me about the nature, procedure, potential benefits and anticipated inconvenience of participation.

I have read (or had explained to me) and understood the study as explained in the information sheet. I have had sufficient opportunity to ask questions and am prepared to participate in the study. I understand that my participation is voluntary and that I am free to withdraw at any time without penalty (if applicable). I am aware that the findings of this study will be anonymously processed into a research report, journal publications and/or conference proceedings.

I agree to the recording of the *insert specific data collection method*.

I have received a signed copy of the informed consent agreement.

Full Name of Participant: _____ Date: _____

Signature of Participant: _____ Date: _____

Full Name(s) of Researcher(s): _____

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Full Name of Participant: _____ Date: _____

Signature of Participant: _____ Date: _____

Full Name(s) of Researcher(s):

Signature of Researcher: _____ Date: _____

ANNEXURE 3: INTERVIEW SCHEDULE SEs

Head / organiser/ pastor / receptionist and managers working in the SE

1. Why and When was the organisation formed?
2. What is the aim and purpose of your organisation?
3. What is best organisational model for your organisations? Why?
4. Elaborate on how your organisation is funded? (Non-profit and for-profit)?
5. What legal form do you use to run your NPO as the social enterprise? Why?
6. What business approach do you use? Why?
7. How do you measure your effectiveness as the organisation?
8. Who are the stakeholders that you work with in your region? How is the relationship?
9. How is your effectiveness accelerated through working with your stakeholders?
10. Who are the beneficiaries of your services?
11. What kind of assistance do give to your beneficiaries?
12. How do you think your organisation (enhances community development/ reduces poverty)?
13. What else do you think can be done to (enhance community development / reduce poverty) in your area?
14. What are your plans for growth?
15. What are your greatest challenges that you experience as a social enterprise?

Family Centre

16. Tell me about your volunteer programme?
17. How do you think your volunteers can assist in community development?

ANNEXURE 4: INTERVIEW SCHEDULE VOLUNTEERS

INTERVIEW / FOCUS GROUP: Community members / Beneficiaries

1. Tell me a little about the area in which you live (poverty / community)
2. Is there any organisation that assists people in the area?
3. What do they do?
4. How has this organisation assisted you?
5. Please tell us a little more about your life before the organisation assisted you?
6. What do you think of the quality / quantity of services that the organisation offers?
7. In your opinion, what do they do to (*enhance community development/ reduce poverty*) in the area?
8. What else do you think can be done to (*enhance community development/ reduce poverty*) in the area?

ANNEXURE 5: ETHICAL CLEARANCE



GENERAL/HUMAN RESEARCH ETHICS COMMITTEE (GHREC)

13-Oct-2021

Dear Dr Deidre Van Rooyen

Application Approved

Research Project Title:

Social entrepreneurship, poverty, and community development

Ethical Clearance number:

UFS-HSD2021/0803/21

We are pleased to inform you that your application for ethical clearance has been approved. Your ethical clearance is valid for twelve (12) months from the date of issue. We request that any changes that may take place during the course of your study/research project be submitted to the ethics office to ensure ethical transparency. Furthermore, you are requested to submit the final report of your study/research project to the ethics office. Should you require more time to complete this research, please apply for an extension. Thank you for submitting your proposal for ethical clearance; we wish you the best of luck and success with your research.

Yours sincerely

Dr Adri Du Plessis

Chairperson: General/Human Research Ethics Committee

Dr Adri
du
Plessis

Digitally signed
by Dr Adri du
Plessis
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