**SOCIAL ENTREPRENEURSHIP: A NEW APPROACH TO COMMUNITY DEVELOPMENT IN NIGERIA\***

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**\*** **Presented at 3rd conference on microfinance and enterprise development (CMED). Theme: Entrepreneurship, Financial inclusion and economic development. Held at Eseiwi Hall, LAPO Institute, Benin City Edo State. August 23rd – 24th, 2017**

**Abstract**

Social entrepreneurship is not a new phenomenon. Although the practice has always existed, for many reasons, the concept is gaining popularity in recent years. While the focus has been on business entrepreneurship as a tool for economic growth and development, the light is now on social entrepreneurship, which entails tackling pressing social issues using a sustainable business model. Community development efforts have met with various challenges and limitations that hamper sustainability. The emergence of social entrepreneurship as a hybrid approach and positive force for transforming communities suggests the possibility of dealing with the key challenges of poverty, unemployment, illiteracy, climate changes, health care challenges, insecurity and other social and economic issues. This paper throws light on who social entrepreneurs are, what they do and the role they play in achieving sustainable community development and democracy. Using a conceptual framework to show a flowchart of the community development process, the findings indicate that social entrepreneurship is a veritable tool for community development in Nigeria and can play a vital role for social and economic growth. The paper concludes with suggestive implication for policy and practice that could provide a better insight on the role of social entrepreneurship in sustainable community development.

**Keywords:** Social Entrepreneurship, Social Change, Community Development, Social Enterprise, Innovation, Nigeria, and Sustainability

**Introduction**

Rural communities in Nigeria are beset with myriads of challenges that impede growth and development. Unemployment and poverty are among the key challenges communities are faced with. Achieving community development has been arduous despite the various strategies adopted by government, local agencies and NGOs. The high levels of unemployment, poverty and the consequent effects they create inhibit social and economic development. Given this situation, there is an urgent need for the design and implementation of innovative projects that can provide sustainable, long-term solutions to social problems.

Community development is concerned with improvement in the quality of life and standard of living of a community. According to Ekong (2010), Nigeria is predominantly rural with over 60 per cent of people living in rural communities. For this reason, community development efforts ought to be geared towards improvement in the standard of living of the people and making the process of their development self-sustaining. This understanding, informed the community development efforts of successive governments in Nigeria targeted in the rural communities. Unfortunately, most of the community development efforts have failed to yield the desired results despite various strategies and efforts. This situation as argued by Udu and Onwe (2016), has continued to result in a situation where there is visible mismatch between the community structure and the kind of empowerment programmes targeted at them.

A promising approach to community development that complements development assistance is social entrepreneurship. It is believed that social entrepreneurial initiatives have the potential to provide sustainable, long-term solutions to community development. The concept is one that should be considered as its practice could contribute positively to community development in the areas of impact and sustainability. The main thrust of this paper is to examine the role of social entrepreneurship as a positive force for community development.

**Conceptualizing Social Entrepreneurship**

Social entrepreneurship is a relatively new concept but the phenomenon is old in practice. In recent times, the concept is gaining popularity, however, it means different things to different people. Many associate social entrepreneurship exclusively with not-for-profit organizations starting for-profit ventures. Others use it to describe anyone who starts a not-for-profit organization. Still others use it to refer to business owners who integrate social responsibility into their operations. It is necessary to shed light on the meaning of the concept in order to understand how the approach can be a positive force for community development.

***What is entrepreneurship?***

Any definition of the term “social entrepreneurship” must start with the understanding of the concept of “entrepreneurship.” The word “social” simply modifies entrepreneurship. Entrepreneurship connotes a special, innate ability to sense and act on opportunity, combining innovative thinking with unique determination to create or bring about something new to the world. Entrepreneurs see problems as opportunities to provide a new solution, product, service, or process. The reason entrepreneurs see certain conditions as opportunities to create something new, derives from the unique set of fundamental personal characteristics they bring to the situation, which include: inspiration, creativity, direct action, courage, and fortitude.

According to Coulter (2006) cited in Ezeugbor and Nwachukwu (2009), entrepreneurship is a process whereby an individual or group of individuals use organized efforts to pursue opportunities to create value and grow by fulfilling wants and needs through innovation and uniqueness, no matter what resources is available. For the purposes of this paper, an entrepreneur is someone “who sees an opportunity in the market, gathers resources and creates and grows a business venture to meet these needs. He or she bears the risk of the venture and is rewarded with profit if it succeeds.” (Nieuwenhuizen and Nieman, 2009:9). Whereas business entrepreneurs are concerned with profit maximization, social entrepreneurs see wealth creation as a tool used to effect social change. Social entrepreneurs are motivated by the passion to solve a problem and improve social conditions more than creating wealth. Social entrepreneurship ventures focus on maximizing gains in social satisfaction, rather than maximizing profit (Yunus 2010).

The distinction between entrepreneurship and social entrepreneurship lies in the value proposition. For the entrepreneur, the value is in the creation of new markets designed to create financial profit. The social entrepreneur aims for value in the form of large-scale, transformational that will benefit disadvantaged communities and the society at large. Thus, unlike the entrepreneurial value proposition that assumes a market that can pay for the innovation, the social entrepreneur’s value proposition targets an underserved, neglected, or highly disadvantaged population that lacks the financial means or political clout to achieve the transformative benefit on its own (Martin and Osberg, 2007).

***Meaning of Social entrepreneurship***

Social entrepreneurship therefore refers to the recognition of a social problem and the use of entrepreneurial principles to organize, create and manage a social venture to achieve a desired social change. It involves the ability to see ‘problems’ as ‘opportunities’ and then take the initiative to identify the solutions to those problems and the customers who will pay to have them solved. Social entrepreneurship fosters wealth for society as a whole, contributes to community development, supports environmental sustainability and produces social capital. Social entrepreneurs seek to serve the interest of the community by creating solutions that address societal needs and by engaging in sustainable livelihoods that benefit them and their communities. Given this understanding, it is benign to state that by pursuing innovation solutions to social problems, one is said to engage in the process of social entrepreneurship.

While social entrepreneurship can be seen as a process, it includes phases like, identification of a particular social problem and a solution to address it, the evaluation of the social impact realized, the sustainable model of the business that addresses the social, economic and/or environmental problems. The European Commission (2013) describes social entrepreneurship as an approach to make impact on society and economy. The social entrepreneurship paradigm can help local communities to realize their unmet needs and improve the lives of the people through innovative ways.

Dees (1998) cited in Botha (2009), defines social entrepreneurship as driven by social entrepreneurs who play the role of change agents in the social sector by:

1. Adopting a mission to create and sustain social value (not just private value)
2. Recognizing and relentlessly pursuing new opportunities to serve that mission
3. Engaging in a process of continuous innovation, adaptation, and learning
4. Acting boldly without being limited by resources currently in hand
5. Exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created

**Principles of Social Entrepreneurship**

Social entrepreneurship can be characterized by the adoption and practice of several principles. These principles help to define the purpose of a social enterprise. Chia and Wei (2016) identified three guiding principles. First, social entrepreneurs apply business and management principles to solving social problems, especially where governments or markets have failed or where there are unmet needs. Second, social entrepreneurs emphasize the development of efficient, affordable and cost-effective solutions. The third guiding principle of social entrepreneurship is sustainability of solutions. Social ventures need to sustain their own existence.

Gomez (2016) outlined seven guiding principles based on the study of 10 real world social enterprises.

1. **Cause-Driven:** Social enterprises are businesses that are cause-driven in the sense that they are created to overcome a global or local issue or challenge. Without the sole purpose of maximizing profit, social enterprises are driven by the cause they set out to pursue, that is, the objective to overcome or alleviate a global or local issue such as poverty, education, health, technology access or the environment.
2. **Financial and economic sustainability:** As with any other business, social entrepreneurs apply business principles to solving social problems. Thus, financial numbers and cash flow must be in line with what is expected and sustainable in the long-term.
3. **Investor returns:** Investors will receive a return on their investment amount only — no dividend. Investors must only receive back what they put in.
4. **The profit generated stays in the company**: One unique attribute of a social entrepreneur is the ability to plough back profit made into the business/organization for expansion and improvement.
5. **Gender sensitive and environmentally conscious**: Tackling gender discrimination and inclusion is vital as well as integrating environmental impact actions.
6. **Workforce will receive market wage and better working conditions**: More emphasis on well-being at the workplace is given, fostering long-term relationships with employees and striving for their happiness.
7. **Joy in their work**: Businesses that work for a purpose of helping a cause do it with joy.

For social entrepreneurship to be impactful in the context of community development, the following principles, as put together by Teo (2013), are essential:

1. Understand the community you want to help – the needs, aspirations, dreams and motivations of members of community.
2. Understand the priority, not just needs, of community members. Community members have many needs, but they have priorities. Based on an identified priority, social entrepreneurs can have a scope of the specific social problem to address (Nora Murad, 2011).
3. Beyond needs-based community development, practice asset-based community development. Mathie & Cunningham (2003) are proponents of asset-based community development as a strategy for community-driven development. According to them, needs-based community development does not encourage community to be self-reliant, it causes community members to see themselves as deficient and incapable of taking charge of their lives and community. However, asset-based community development identifies and mobilizes community members’ assets, and creates opportunities. It recognizes that community members’ capacities and their associations can be harnessed to build a formidable community.
4. Obtain buy-in (or support) from community members for planned intervention program. It ensures wholehearted participation in intervention program by community members.
5. Obtain buy-in (or support) from stakeholders (e.g., government, businesses, non-profits) for planned intervention program. This principle involves identifying potential resource partners, & establishing collaborations with them. It ensures contribution of resources by stakeholders to support intervention programmes.
6. Create conditions necessary for community members to empower themselves and to live with dignity.

**Engaging social entrepreneurship in community development process: A conceptual framework**

The conceptual framework that portrays a paradigmatic shift that engages social entrepreneurship in increasing the impact of community development is advanced in figure 1 below. The framework shows the flow chart of activities or process that could bring about a new and improved approach towards community development which does not only focus on provision of physical projects (infrastructural provision), but rather a hybrid approach that can solve the challenges of poverty, unemployment, illiteracy, insecurity, climate change, etc.

**Figure 1: Framework for sustainable community development in Nigeria**

* Engage in pursuing innovative plans to solve social problem.
* Adopt a sustainable social value mission.

* Exhibit an increased sense of accountability to the constituencies served and for the outcomes created.
* Make impact on society and economy.

**Fosters wealth creation for the society as a whole**

**Supports environmental sustainability**

**Builds social networks and produces social capital**

**Strengthen the bounds within community neighborhoods**

**COMMUNITY DEVELOPMENT**

**Social Entrepreneurship**

**Source:** Ihejiamazu and Udensi, 2017

The outcome of social entrepreneurship as indicated in figure 1 is a better description of community development which Rubin and Rubin (2001) posit to occur when people strengthen the bonds within their neighborhoods, build social network and form their own organization to provide a long term capacity for problem solving. The conceptual framework provides an approach that gives people ownership of themselves or allows them to take-up responsibilities that are directed at sustainable approach to solve their own problems without relying on the government or other resources whose intervention could be short-termed and without the participants’ participation.

From the foregoing position, it becomes clear that social entrepreneurship makes it possible for community members to strengthen their bonds, build a social network that creates a platform which is focused on creating a sustainable problem solving approach. This entails that rather than relying on development aid and compulsory external assistance; community members could harness their resources through community governance and raise a long-term plan that can provide a problem-solving network which brings about infrastructural development collective development and self-development.

**Role of Social Entrepreneurship in Community Development**

The need "to do something” to improve community life, normally implies aspects of development. Community refers to a group of people living in a specific geographical locality. ‘Community development’ is viewed as an embracing concept concerning the improvement of the standard of living or quality of life within a community (Thomas, 2004.

Despite the tremendous efforts of public sectors (or non-profit organizations) and private sectors (for-profit) to meet the increasing gap between community needs and the performance, they have failed to meet the goal due to various limitations. Governments or non-profits are in deficits of resources due to economic limitation and weak political will, similarly, the private sector is failing in its claim of serving all members of society due to high concentration in profit maximizing. This tendency has resulted in increasing problems in communities. However, to overcome both the private and public sector limitations, the hybrid approach of social entrepreneurship is currently emerging as a feasible alternative to community development.

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Community development work is always confronted with a lack of resources. As Lombard and Strydom (2011) opines; in the true spirit of social entrepreneurship, social entrepreneurs are change agents who can associate with efforts to combine resources so as to exploit opportunities in search of new anti-poverty interventions that will impact on social and economic development.

An example of a social entrepreneur in Nigeria is Nnaemeka Ikegwuonu, who has developed a sustainable community-owned and managed radio through which farmers can share knowledge with each other. Till date, Nnaemeka’s new radio program engages listeners and tackles the important problem of declining agricultural productivity. Targeting smallholder farmers, he empowers them by giving them a voice and ownership in the project, validating their indigenous knowledge, and providing fast access to markets and thus eliminating middle men. He also disseminates important environmental information, highlighting the importance of protecting nature and its close link to agricultural productivity. He does all this through Rural Farmers’ Listening clubs. In order to ensure sustainability, the community radios charge a small fee for community announcements such as births and obituaries, and use solar power to reduce operational costs and dependence on the unreliable national power grid. The radio is directed and managed by a board comprised of the community stakeholders. (https://ashoka.org, n.d.)

From the above example, it is clear that social entrepreneurs can play a key role in community development. A research study by Thomas (2004) using three case studies in South Africa showed the contribution of social entrepreneurs in various areas of need having resulted in transformed opinions, attitudes and even policies related to the social issues that are being addressed. The factors that stand out as contributing to the impact and success of social entrepreneurship may be identified as: innovation, the social entrepreneurial champions’ themselves, and the use of ‘first-hand experience’ in the ongoing struggle to change perceptions, traditions, attitudes and behaviours.

The relevance of social entrepreneurship cannot be overemphasized since the society is still bedevilled with a lot of problems government alone cannot solve. Social entrepreneurs seek to serve the community’s interest by creating solutions that address societal needs and by engaging in sustainable livelihoods that benefit themselves and their communities. In this light, Obiekezie and Ihejiamaizu (2014) maintains that the society needs individuals and groups who are sufficiently creative and innovative to put in place measures and strategies to identify and meet needs or fill gaps that are of social concern.

**Conclusion and policy implication for community development in Nigeria**

Although a relatively new concept and growing topic of interest among scholars, social entrepreneurship is seen to be a viable method for providing sustainable solutions to rural and community problems. Social entrepreneurship is an alternative response and viable means to provide sustainable solutions to rural and community development problems. Given the current context of Nigerian communities, with high crime rates, unemployment, educational deficiencies and an increasing gap between the wealthy and the poor, alternatives to the inadequate methods of rural and community development are in desperate need. These should not only be sought in the public sector but in all sectors, as the boundaries merge and partnerships across sectors become more and more common.

Given the purview of the conceptual framework for a new approach to community development through social entrepreneurship, it becomes pertinent for community development activities to be more beneficiary centered through enforcing a self-reliant approach where inter-linkages and networks are built that can tease-out a sustainable problem solving platform which is initiated, managed and owned by the beneficiaries themselves. This could be by strengthening the activities of informal credit groups, small and medium scale enterprise, cooperative groups, community development committees, community based organisations (CBOs) etc.

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