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### Nonprofit Organisations and Social Entrepreneurship Intentions

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# Nonprofit Organizations and Social Entrepreneurship Intentions

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## **Abstract**

Nonprofit organizations are valued because they provide services that address unmet needs. Nonprofit organizations who engage in social entrepreneurship augment their contributions through the new services, programs, enterprises and revenue generated. It is not surprising, therefore, for policy makers to encourage social entrepreneurship, social innovations and social enterprises. Such an initiative was introduced in Singapore recently. However, not all nonprofit organizations seek to innovate or create social enterprises. They may continue to devote themselves to their specific fields and existing practices. Entrepreneurship research suggests that under certain conditions, organizations engage in entrepreneurship through new ventures, projects, and innovations. Hence, it is of interest when incumbent nonprofit organizations will engage in social entrepreneurship; what influences their decisions or intentions to create social enterprises. This paper describes the social enterprise scene in Singapore and reports an exploratory study on the intentions of Singapore nonprofit organizations to initiate social enterprises and the influence of their organizational attributes on these intentions.

## **Introduction**

The nonprofit sector in most developed countries is known for the provision of services that are not provided for by the free market. The nonprofit sector similarly plays a significant role in meeting unmet needs. In Asia, these needs continue to grow even as the economies develop in the economic arena albeit with a strong presence and role of the government being seen in Korea (Bidet, 2002) and in Hong Kong (Lee, 2005). The situation is no different in Singapore where the government plays both a corporatist and statist role as in Hong Kong (Lee, 2005) although the processes are different. The social sector dominates Singapore's nonprofit space. These can be traced from Singapore's early days as a British colony, during which many nonprofit organizations in the social sector were faith based groups or closely related to such groups. After independence in 1965, the government played an increasing role as funder and then a key policy initiator of new programmes, projects and even structures (Wee, 2004; Tan, 2007; Ngiam, 2009). While the state played a smaller role in the colonial period, in the post-independence phase, the Singapore government gradually began to influence the developments in the nonprofit sector.

In recent times, entrepreneurship has moved into the nonprofit arena under the rubric social entrepreneurship (see e.g. Van Ryzin, Grossman, DiPadova-Stocks and Bergrud, 2009). Social entrepreneurship has contributed to the nonprofit sector through new innovations and services. Social entrepreneurship benefits the nonprofit organizations through new service innovations, programs and new revenue sources through social enterprises created. The development of social enterprises in various

countries has not escaped the attention of Singapore's policy makers as social entrepreneurship in its myriad activities address social problems and needs with new innovations and solutions. Social entrepreneurship also provides in some instances self-sustaining activities and on the part of nonprofit organizations that are serving social needs, might be a sources of revenue from for profit activities.

The nonprofit sector in Singapore saw a new policy shift in 2003 when the Singapore government introduced incentives for the development of social innovations through social enterprises. Going by the success of prominent social enterprises in Asia such as the Population and Community Development Association in Thailand, and Grameen Bank in Bangladesh, social enterprises appears to provide an attractive option to get the nonprofit sector to be more entrepreneurial and innovative in helping their beneficiaries through earned income activities. Existing nonprofit organizations such as voluntary welfare organizations as well as individuals and businesses were provided with the opportunity to obtain financial support for starting social enterprises. In a bid to spur the nonprofit sector to greater innovation and social entrepreneurship, existing nonprofit organizations such as voluntary welfare organizations as well as individuals and businesses were provided with the opportunity to obtain financial support for starting social enterprises. These incentives were disbursed through the creation of the Social Enterprise Fund (SEF), which at the present time is known as the ComCare Enterprise Fund (CEF). These developments piqued this researcher's interested in the question whether Singapore nonprofit organizations would be interested in social innovations and to create social enterprises and their motivations for so doing. Research in the field of entrepreneurship indicates that individuals and corporations would engage in entrepreneurship when they perceive social innovations and social entrepreneurship as feasible activities. The entrepreneurship literature also suggests that apart from these organizational attitudes, the organizations proclivity towards innovativeness and risk-taking might influence the nonprofit organizations' intentions to engage in social innovation. Hence, the provision of financial resources might not be a sufficient motivation, especially if the nonprofit organizations have financial resources. Hence, a study was conducted to examine the intentions of existing nonprofit organizations in Singapore to create social enterprises. This paper provides a brief account of the nonprofit sector in Singapore and reports the study conducted.

### **The Nonprofit Sector in Singapore and the Role of the Government**

Since the founding of Singapore by Sir Stamford Raffles in 1819, the colonial government adopted a laissez-faire approach to developing Singapore, providing little welfare and allowing things to be as they were unless there was unrest. The influx of immigrants during the early days of Singapore brought with them social problems which the government then did not know or wish to lend a hand to. In fact, the earliest voluntary organizations were groups which can be broadly classified along racial and/or religious lines. These were the clan associations (predominantly Chinese and grouped by surname/dialect) and the missionaries. The missionaries, for example, established the first school in Singapore from as early as 1819, while the Cantonese clan formed the Kwong Wai Shiu Hospital in 1910 to provide treatment for the chronically ill. Wealthy businessmen turned philanthropists also contributed towards playing the role of the surrogate caregiver by taking on leading roles in the provision of education, skills training, shelters and medical care. Well-known philanthropists such as Tan Tock Seng, Dato Lee Kong Chian, Mohammed Eunus bin Abdullah and P Govindasamy Pillai Kalyanamandabam remain in the public consciousness till the present day.

With self-government in 1959 and independence in 1965, the government took a more involved role in fostering the social sector. By this time, although the ruling government has started to take on a major role in providing subsidised housing, education and medical care, the nonprofit sector remains a key player. This development is in tandem with the realization on the part of the Singapore government in the late 1990s of the need to develop the “heartware” that knits the citizenry together by having the communities “own” the social needs in their neighbourhoods. The mechanisms through which this objective of knitting the citizens living in the neighborhoods together was to be achieved, were the Community Development Councils (CDCs) that worked with nonprofit organizations and volunteers. The CDCs were originally set up in 1997 to coordinate and lead the existing grassroots organisations. From the original nine CDCs, they were subsequently revamped in 2001 to their present form, with five CDCs, each with a full-time mayor who is a political appointee. These CDCs took charge of the administering of social-assistance schemes, offering employment assistance to the retrenched and unemployed, as well as promoting racial harmony and enhancing community bonding. In their expanded roles, CDCs worked closely with nonprofit organizations in the introduction of new and social initiatives, often in the sponsoring or mobilization of additional resources.

As part of the “many helping hands” approach of the government, nonprofit organizations provide the additional hands in reaching out to the needy and disadvantaged in the community. Hence, there is vested interest by the government in ensuring that nonprofit organisations continue to remain relevant. One way is to foster their innovativeness, or more specifically, to expose nonprofit organizations to the marketplace. Social enterprise provide a good such entry point.

### **Social Enterprise and Social Entrepreneurship Development in Singapore**

In 2003, the government ministry in Singapore responsible for community and social services, the Ministry of Community Development, Youth and Sports (MCYS) embarked on an initiative to interest charities, nonprofit organizations, community groups, businesses and individuals in social entrepreneurship. The move coincided with the inaugural social entrepreneurship forum at the university this author worked at. It was a significant move as the ministry had decided to make available grants of up to S\$300,000 to each successful applicant (including new or existing nonprofit organizations) who wished to set up a social enterprise. Successful applicants could use the sum over a three year period.

By encouraging nonprofit organisations to set up businesses as a possible avenue to raise funds, it was the intention that the SEF will help the nonprofit sector to be more self-reliant, innovative and financially sustainable. For this reason, the types of business funded under the SEF were varied - spanning various business sectors such as food and beverage, car polishing services, cleaning services and data entry services, and the beneficiaries covered a broad spectrum, including ex-drug addicts, ex-offenders, the disabled, the elderly, delinquent youths and the chronically unemployed. (Singapore Parliament Report, 17 November 2004). In 2005, the SEF has been renamed as the CEF, part of a larger ComCare Fund, the government initiative to assist the needy Singaporeans. Under CEF, the funding criteria narrowed into funding enterprises that helped to create employment opportunities and skills training to needy disadvantaged Singaporeans.

While the provision of financial incentives augments the environmental munificence for social entrepreneurship in providing financial resources the availability of financial support (Huisman, 1985; Shane, Kolvereid, & Westhead, 1991, Begley, Tan & Schoch, 2005), the question remains whether the

incumbent nonprofit organizations in Singapore intend to embark on social innovations and start social enterprises. These developments in Singapore provide an opportunity to conduct an exploratory study on the intentions of nonprofit organizations in Singapore to engage in social entrepreneurship, to start social enterprises. Unlike for-profit organizations where internal organizational characteristics may influence entrepreneurship intentions, nonprofit organizations may not possess such characteristics. This paper thus reports a study that explores social entrepreneurship intentions (defined as the intention to start social enterprises) and the influence of organizational characteristics on social entrepreneurship intentions.

## **Relevant Literature**

Nonprofit researchers have variously pointed to the integral role of resources to the ability of nonprofit organizations to flourish, innovate and deliver their services (Anheier, 2005). The entrepreneurship literature supports the important role of the availability of financing. However, there is more to the decision to create a new enterprise than the availability of funding. There are other factors as work. Of interest to researchers and policy-makers would be the knowledge which nonprofit organizations are more likely than others to start social enterprises. Whether a nonprofit would create a social enterprise would be influenced by its organizational attributes – attitudes and traits. Entrepreneurship theories have been used to explain the development of nonprofit organizations (Anheier, 2005). We draw on two streams in the entrepreneurship literature: entrepreneurial intentionality and corporate entrepreneurial traits.

Entrepreneurship research has demonstrated the role of intentions on entrepreneurial action. Krueger et al. (2000) developed their theory of entrepreneurial intentions. Begley and Tan (2001) found that face and shame acted as socio-cultural influences on the entrepreneurial intentions of individuals in society. Brazeal (2004) argues that entrepreneurial intentionality applies to corporations influencing the extent of corporate entrepreneurship. This stream of literature suggests that attitudes towards entrepreneurship possessed by nonprofit organizations would influence their intention to start social enterprises. Yet this is an area of interest as nonprofit organizations might not perceive that they have the ability to venture into social entrepreneurship. Nonprofit organizations are by definition not for-profit in their missions and might possess different capacities and attitudes. Hence, they might not evince intentions to start social enterprises when their organizations do not consider such activities within their reach, if they do not think they possess the efficacy.

Research into corporate entrepreneurship posits that certain organizational factors explain the incidence of corporate entrepreneurship. These organizational traits, innovativeness, risk taking and proactiveness are components of entrepreneurship orientation of corporations (Miller & Friesen, 1982; Covin & Slevin, 1989). As a multidimensional construct, entrepreneurship orientation has been found to have a positive association with organizational profitability and growth (Covin & Slevin, 1991; Lumpkin & Dess, 1996; Miller & Friesen, 1983; Wiklund & Shepherd, 2005). Davis, Marino, Aaron and Tolbert (2009) employed entrepreneurship orientation to examine the external scanning behavior of home nursing administrators by profit status and found no significant difference in the entrepreneurship orientation between the nonprofit organizations and the for profits in that sector though the nonprofit organizations are more likely to engage in external scanning.

Innovativeness is associated with a strong organizational commitment to “engage in and support new ideas, novelty, experimentation, and creative processes that may result in new products, services or technological processes” (Lumpkin & Dess, 1996, p. 142). Risk taking refers to the “degree to which managers are willing to make large and risky resource commitments—i.e., those which have a reasonable chance of costly failure” (Miller & Friesen, 1978, p. 923). Proactiveness involves an “opportunity-seeking, forward-looking perspective involving introducing new products or services ahead of the competition and acting in anticipation of future demand to create change and shape the environment” (Lumpkin & Dess, 2001, p. 431). Hence in this exploratory study, the separate organizational dimensions of innovativeness, risk taking and ambiguity avoidance were included in the survey employing items adapted from the existing entrepreneurship scales.

Business startups require resources. One key activity in the startup phase of a business is financing. With nonprofit organizations, like charities existing on donor dollars, there is likely to be scarcity of resources. Hence, without the resources, it is likely that nonprofit organizations would not have intentions to engage in social entrepreneurship. Leaders or managers are needed to spearhead these new activities. Nonprofit organizations with resource sufficiency may not have an intention to start social enterprises. Hence, the study explored the influence of this aspect of resource availability. While the policymakers have provided financial incentives to motivate the nonprofit organizations in Singapore to create social enterprises, these incentives will only entice nonprofit organizations who do not have financial means.

The social mission focus of a nonprofit organization may influence its social entrepreneurship intention. If its focus is on developing a volunteer network and a donor base, there might be less inclination to start a social enterprise. Conversely, social entrepreneurship might offer an opportunity for the nonprofit an alternative to fundraising or to achieving its social agenda through business activities reducing the reliance on volunteers. Hence it is unclear whether the nonprofit organizations’ focus on the social mission would influence social entrepreneurship intention positively or negatively. As such, the study did not specify a direction and seeks to explore this relationship.

## **Method**

*Sample* A mail survey was employed for the study. The questionnaire was mailed to a list about 390 nonprofit organizations MCYS’ database and additions to the list from other sources such as the database from the National Volunteer and Philanthropy Centre. The questionnaires were completed by the executive directors and senior management of the nonprofit organizations. In total, the researchers approached 600 nonprofit organisations, and follow-uped on incomplete responses through phone calls. A total of 147 surveys, or 24.5% response rate was achieved. Of these responses, only 101 of the respondents had not started a social enterprise and these formed the sample for this study.

*Instrument* A survey instrument was developed with scale items to measure the constructs of interest. Scales were developed for this study to measure measuring social entrepreneurship intention (3 items), perceptions of organizational efficacy of social entrepreneurship and the organization attributes of innovativeness, risk-taking and ambiguity avoidance. The respondents were requested to rate the statements on a five point scale with 1 being “Strongly Disagree” and 5 being “Strongly Agree.” The measures were subjected to exploratory factor analysis employing principal component analysis with varimax rotation and to reliability tests. The items are described below together with the results of the

exploratory factor analysis (EFA) and reliability tests. Unless otherwise mentioned, the items included satisfied the thresholds for the EFA. As this study is exploratory in nature, it was decided to retain measures where the Cronbach alpha was above 0.5.

Intention was measured employing 3 statements requesting the respondent to indicate their organizations' intention to start a social enterprise or not ( $\alpha = 0.841$ ). Organization efficacy measures were developed drawing upon suggestion from the literature. Eight statements were developed. The results from the EFA showed that these items loaded on two different factors with item item to be dropped. The first factor is organization efficacy and the items requested the respondents to rate the capability of their organizations to a good concept to start a social enterprise, raise enough funds to start a social enterprise, to staff a new social enterprise using existing manpower resources, or find enough skilled employees to start and run a social enterprise, obtain the necessary technology, market information and know-how ( $\alpha = 0.846$ ).

Resource availability is the second variable that resulted from the EFA on the organization efficacy items. The measures explored whether the organization could raise enough funds to start a social enterprise, staff a new social enterprise using existing manpower resources and start a social enterprise without any form of assistance (such as subsidies, funding) from the government ( $\alpha = 0.702$ ). This variable is conceptually justified as the nonprofit sector in Singapore is usually less well-resourced in funding and staffing. Most of the people employed in this sector in Singapore are mostly from the social work sector and may not be suited for social entrepreneurship ventures.

The organization attributes of innovativeness, risk-taking and ambiguity avoidance was examined employing items adapted from the corporate entrepreneurship literature. Innovativeness was explored employing statements on the organization's emphasis on research & development, and innovations; whether it sought new ways to address social needs; and whether they found problems that required an innovative approach the most challenging (reverse scored). The EFA led to the exclusion of one item. Another item was excluded for theoretical reasons. The resultant two items had an alpha of 0.592. Risk-taking employed 4 items on the organization's preference for high-risk projects with chance of very high returns; if the organization believed that bold and wide-ranging acts are necessary to attain its goals; if the organization's response to uncertainty was a bold and aggressive posture; and whether the organization was often in the lead as the first to introduce new products/services. One item was excluded after the EFA and 3 items retained ( $\alpha = .651$ ). Ambiguity avoidance was measured with 4 items. One item was excluded after the EFA. The three items retained ( $\alpha = 0.632$ ) measured the organization's preference for "tried and tested" methods, work that is steady and support for our work is certain, and the organisation's preference for risk avoidance.

The importance of the social mission was explored through the statements: "Our organisation's priority is to run programs that directly tie to our social mission and not take risks in running a social enterprise;" "Our organisation would rather grow a larger volunteer base than start a social enterprise;" "Our priority is to grow a larger donor base rather than start a social enterprise."

## **Findings**

The nonprofit organization respondents served the following beneficiaries: Youth (49.5%), Family (49.5%) and Children (48.5%). As the nonprofit organizations at times served more than 1 group of beneficiaries, the totals do not add up 100%. They relied on donations (47.5%) and grants (37.6%) as

their top 2 main sources of revenue. Surprisingly approximately 10% of respondents indicated earned income as their primary source of income.

Over 90% of the SEs are aware of the ComCare Enterprise Fund (formerly known as the Social Enterprise Fund). As such, there is awareness of the government initiatives on social entrepreneurship. The respondents were asked about the relative importance of factors on their organisation’s decision to start a social enterprise. The results are shown in Table 1 below. The generation of income for social programs is the reason rated highest by the respondents. The means for the other factors that relate to the social missions are also rated highly: fulfilling the nonprofit organization’s mission (mean = 3.95), job creation for the needy and existing beneficiaries had means of 3.84 and 3.85 respectively.

Table 1: Importance of Factors in Starting a Social Enterprise

	Mean*	Standard Deviation
Generate income for social program	4.16	0.869
Fulfil and meet organization mission	3.95	0.792
Create work opportunities for needy in community	3.84	0.977
Create work opportunities for existing beneficiaries	3.85	0.942
Create new markets for products/services	3.67	1.011
Tap on grants/incentives from government	3.67	1.001
Reduce reliance on donations	3.55	0.964
Develop capabilities of Staff	3.55	0.964
Reduce Reliance on government funding	3.25	1.108

\* Where 1= strongly disagree and 5 = strongly agree.

The study explored the relationship between the independent variables on intention employing multivariate regression in SPSS. The results are shown in Tables 2 & 3 below. Three independent variables are found to have significant bearing on social entrepreneurship intention: social cause, organization efficacy and innovativeness.

Table 2: Means, Standard deviations, and intercorrelations

<u>Variable</u>	Mean	Standard Deviation	1	2	3	4	5	6
Social cause	2.5017	.74926	1.000	.172	.080	.116	-.247	.126
Efficacy	3.1139	.89828	.172	1.000	.625	.397	-.055	.501
Resource Availability	2.3102	.84361	.080	.625	1.000	.317	-.099	.329
Risk-taking	2.7591	.67350	.116	.397	.317	1.000	-.250	.328
Ambiguity avoidance	3.4620	.67160	-.247	-.055	-.099	-.250	1.000	-.073
Innovativeness	3.8663	.73448	.126	.501	.329	.328	-.073	1.000

\* Where 1= strongly disagree and 5 = strongly agree.



Table 3: Regression results

Variable	Standardized coefficients	t- value	Significance
Social cause	.335	3.937	.000
Efficacy	.289	2.467	.015
Resource Availability	-.117	-1.113	.268
Risk-taking	.089	.959	.340
Ambiguity avoidance	.077	.890	.376
Innovativeness	.272	2.852	.005

Note.  $R^2 = .379$  Adjusted  $R^2 = .340$  (N=101)

## Discussion

This exploratory study shows that organization attributes affect social entrepreneurship intentions. Nonprofit organizations that have a high perceived organization efficacy would have a higher intention. This finding is consistent with other studies on the role of perceived feasibility on the entrepreneurship intentions (Guerrero *et al*, 2008). It suggests that the obstacles to social entrepreneurship lie within the nonprofit organizations. If the constituents within the nonprofit organizations, particularly, the strategic actors with the power and influence to shape the attitudes of the workers, do not perceive creating social enterprises as desirable or feasible, the intention to do so would be absent. Since entrepreneurship intentions are the precedent to action (Kreuger *et al*, 2000), steps need to be taken to address these attitudes. Singapore policy makers need to work on the nonprofit organizations in addition to the provision of financial incentives, if they are to see results. There are antecedents to organization efficacy. The nonprofit organizations must possess the capabilities to embark on social entrepreneurship. The attitude associated with organization efficacy does not stand alone but is linked to abilities, skilled workforce, and access to the necessary ingredients of market information and technology. To spur greater social entrepreneurship, it might be necessary to provide training and facilitate access to market information so they have the wherewithal to start.

Innovativeness as an organization attribute has a positive influence on social entrepreneurship intentions. This finding is consistent with the findings in entrepreneurship literature on this dimension of entrepreneurship orientation. The scale items employed for this study need to be improved upon as for measurement purposes there could be more than 1 item for this construct. It is a significant finding as it is a clear indication of an organization attribute that works in tandem with the sense of ability towards an intention to start a social enterprise. The development of this orientation and attitude within the organization would aid plans to engage in social entrepreneurship.

The non-significance of risk-taking, ambiguity avoidance and resource availability deserve some discussion as this finding is unexpected. While exploratory, the study had expected that scarcity in resources, since the respondents are mostly volunteer organizations or charities, or its availability would influence social entrepreneurship intentions. Yet it would appear that this is not necessarily the case and that the other factors discussed earlier, of innovativeness, the social cause and efficacy having greater influence.

Nonprofit organizations are not known to be risk-takers. They are more likely to prefer certainty and be conservative. Hence, these two constructs risk-taking and ambiguity avoidance suggested by prior research were examined. That these two variables were not significant is comforting as it sug-

gests that the nonprofits are not conservative or risk averse but that social entrepreneurship by existing nonprofit organizations is indeed possible. It is revealing. Stereotypes of charities and volunteer organizations are being only focused on their existing programs are not justified.

The importance played on the social cause influences social entrepreneurship intention: it has a significant influence on social entrepreneurship intention (coefficient = .335,  $p < .05$ ). While it was unclear at the outset if social cause would be positive or negative in its effect on intention, analysis shows that it influences intention in a positive direction. *Prima facie*, this may appear to be an odd finding since as the saying goes “you cannot serve God and mammon.” Yet the social cause and social entrepreneurship have a common goal of the social cause. Hence it is not surprising since the social enterprise can address the same social causes, especially when they employ the disadvantaged or generate income that are ploughed into social causes. The mean for this variable is below the median on the side leaning towards disagree.

This finding has implications for the policy makers. It is clear that nonprofit organizations such as existing charities would be inclined to start social enterprises if these have a bearing on their ability to attain their social mission. Policy makers should not advocate social entrepreneurship solely for any pecuniary benefits alone but strengthen the case for social entrepreneurship as a means to attaining their goals. Similarly, the nonprofit organizations seeking to embark on social entrepreneurship need to highlight to their internal and external stakeholders the manner in which social entrepreneurship is a means to achieving the social cause. This is needful as the social entrepreneurship activities often require the involvement of other staff as team members or innovators and units in the organization in contributing resources.

It can be argued from the findings of this exploratory study that nonprofit organizations seeking to engage in social entrepreneurship should embark on developing their organizations in building the capabilities for enterprise activities. Being pro-enterprise in outlook and the introduction of applicable business practices into nonprofit organizations will contribute to the efficacy of the organization. Emphasising the need for innovation and innovativeness would be a help. All these comments are prefaced on the theory of intentionality.

## **Conclusion**

The social entrepreneurship journey in Singapore is still at its early stages. The nonprofit sector has seen further developments since the access to financial resources made possible through the government initiative. Since 2003, the Singapore government has supported 73 social enterprises through the ComCare Enterprise Fund and its predecessor, the Social Enterprise Fund. As at 2009, 47 of them are active social enterprises (Ministry of Community Youth and Sports, 2009). There are other social enterprises that are not sponsored through this fund. A study estimated that the population of social enterprises, funded or not, stood at some 150 in 2007 (Ministry of Community Youth and Sports, 2007). Other elements of the eco-system to sustain social entrepreneurship have been introduced since the introduction of the government’s Social Enterprise Fund. Training of manpower needed for this sector has been introduced at the tertiary institutions. The Ngee Ann Polytechnic launched its Diploma of Business and Social Enterprise (Ngee Ann Polytechnic, 2010) in 2008. This author had the opportunity to provide inputs on its design. Social entrepreneurship has been offered as a course at the Singapore Management University since 2006. Two research centres have been established: the Lien Foun-

dation Centre for Social Innovation at SMU ([www.smu.edu.sg/centres/lien/index.asp](http://www.smu.edu.sg/centres/lien/index.asp)) and the Centre for Social Entrepreneurship and Philanthropy at the National University of Singapore, ([www.nus.edu.sg](http://www.nus.edu.sg)).

This study has its limitations as it has been conducted in the early days of the availability of funding. The level of awareness four years after the launch was assumed. However, if the existing nonprofit organizations had kept their noses to the grindstone and persevered at their work in alleviating the social issues, it might also mean a lack of awareness that would have impinged on the study results. There is also the use of scale items designed for this purpose, that have in the case of a number of the constructs not worked out as planned. Needless to say, there is need for further research into the development of social entrepreneurship and the identification and development of organizational factors that furthers the creation of social enterprises.

It is likely that the difference in domains may be a significant factor in the “equation” that has needs to be considered in future studies. Most nonprofit organizations are staffed by individuals trained and experienced in addressing social problems. They also involve volunteers, who give of their time. Thus, nonprofit organizations are more likely than not to comprise constituents, who are either by their training, experience or “calling,” unfamiliar with creating social enterprises. In some instances, they may be “repulsed” at the idea of engaging in for profit causes, since for many, they “enlisted” for the nonprofit cause. The importance of the role of top management and middle management has been examined in corporate entrepreneurship. It may well be that they play an equally important role in nonprofit organizations and social entrepreneurship. As such, future research needs to examine the influence of the training and experience of managers on the social entrepreneurship intentions of nonprofit organizations.

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