

Social Entrepreneurship for Sustainable Community Development: Investigating the Determinants for Youths' Readiness

Kamarulzaman Ab. Aziz ¹, Atikah Mohd Zulkifle ², MHD Louai Sarhan ²

¹ Faculty of Business, Multimedia University, 75450 Bukit Beruang, Melaka, Malaysia

² Faculty of Management, Multimedia University, Cyberjaya 63100, Selangor, Malaysia

E-mail: kamarulzaman.aziz@mmu.edu.my

Abstract. This study investigates the determinants for youths' readiness for social entrepreneurship to affect sustainable community development. Specifically, the study surveyed among undergraduates in Malaysia's institutions of higher learning. The state of the art on social entrepreneurship for community development also explored via a systematic literature review using the lens.org database. The survey was designed based on the research framework and used to test the 10 hypotheses. A total of 176 undergraduates from institutions across Malaysia completed the survey from May till September 2021. Bootstrapping analysis using SmartPLS were carried out to test for the significance of the proposed hypotheses. It was found that self-efficacy, perceived social support, and prior entrepreneurship experience to have a significant positive relationship towards the youths' readiness for social entrepreneurship. The youths also reported overall positive outlook and preference towards community development as their social entrepreneurship focus. It is thus proposed that social entrepreneurship has the potential to be a viable solution for addressing community development needs that is both sustainable and impactful. Insights from this research can lead to the formulation of effective policies and programmes to encourage as well as enable new generations of social entrepreneurs championing impactful community development activities.

Keywords: Social Entrepreneurship, Community Development, Determinants; Awareness; Readiness; Youth

1. Introduction

Community development (CD) in general refers to initiatives by stakeholders to affect solutions for various problems within communities. Problems range from poverty; equal access to education, technology, healthcare, etc; environmental issues; heritage preservation; marginalization; gentrification and more. Studies have recognized the need for better CD strategy beyond subsidy and charity in order to address the issues and needs in communities across the globe. This is also the case for Malaysia.

The good from CD initiatives may become undone due to disruptions that occur due to various hazards, natural or man-made. The COVID-19 Pandemic had significantly affected the well-being of communities around the world, not only physically but in all aspects of our daily life. The experience had underlined the need for strengthening our resilience against such disruptions. Innovative CD initiatives are needed to effect resiliency in society post the Pandemic. It is proposed that Social Entrepreneurship (SE) has the potential to be a viable solution for addressing CD needs that is both sustainable and impactful.

Abu Samah and Aref (2009)(p.89) in their review of the CD landscape in Malaysia had identified that the “philosophy and principals of Malaysian community development programmes concentrate mainly on upgrading living standards and tackling poverty, especially among rural Malays. It is assumed by the government that by providing basic amenities and other social programmes, people could cooperatively contribute by participating in those activities towards achieving the community goals which leads to economic growth and national progress.” They then further concluded that “the process of mobilizing people through the responsive strategy advocated by the government to promote and enhance community participation in development programmes was not thoroughly successful.” This suggest further enhancements in the Malaysian community development approaches are needed. Meanwhile, Gardoni and Murphy (2020) have stressed the importance of community resilience and highlighted how the infrastructures and frameworks for societal well-being are often fragile and vulnerable to various hazards both natural and manmade. Furthermore, they recognised that impacts from the hazards often are not limited to the direct aftermath but can be protracted. Thus, it is argued that the community development agenda in Malaysia may not only need enhancements but a move towards ensuring resilience should also be addressed. This definitely has become more pertinent given the world is currently gripped by the Covid-19 pandemic with impacts on the global economy is severe and forecasted to be far reaching.

According to Chudik, et.al., (2020), the Covid-19 pandemic is not only the crisis of health, but the impacts are multifaceted and far reaching especially in the current nature of the global economy that is highly interconnected. They concluded

that the resulting global recession is likely to be a prolong situation that basically all nations will have to address irrespective of how they formulate their Covid-19 policies. The severity of the damage the Pandemic is causing on the global economy is at such unprecedented scale as observe by Statista¹; “The economic damage caused by the COVID-19 pandemic is largely driven by a fall in demand, meaning that there are not consumers to purchase the goods and services available in the global economy.” Locally, it was reported² that the “Malaysian economy contracted 17.1 per cent in the second quarter of 2020 from a 0.7 per cent growth in the first quarter due to unprecedented impact of the stringent containment measures to control the Covid-19 pandemic globally and domestically.” This has led to many predicting that the road for recovery for Malaysia will not be an easy or smooth path³.

Due to its potential to create new job opportunities and establish the engines of economic growth, entrepreneurship has been identified as an effective strategy to highlight poverty in developing countries. As a result, numerous developing countries encourage their citizens to explore entrepreneurship (Baron & Shane, 2008). Understanding the variables that affect entrepreneurial intention which influence the behaviour had been a significant research focus. Over the previous decade or so, several studies have been conducted, but it is still unclear whether they are applicable in the local context.

Promoting entrepreneurship will not only highlight to the younger generations that they have viable alternative options beyond employment, but it will also help to reduce societal issues such as poverty, etc (Mohd Khan, et.al., 2016). The practice to solve social problems has existed for decades (Dees, 1998a; Alvord et al., 2004; Barendsen & Gardner, 2004; Okpara & Halkias, 2011). As reported by Alvord et al (2004), thousands of lives have been transformed due to such initiatives. Recently, social entrepreneurship has become a highlight in such discourse and civil society groups, policymakers, academics, and financial institutions, and businesses have all expressed their interest. (Nicholls & Young, 2008). SE has become a global phenomenon (Nicholls, 2006; Kerlin, 2006). Poon (2011) categorized two types of social enterprises; I. market-based with examples largely from Africa and North America; II. hybrid-based with examples from Europe and Latin America. Three factors primarily fueled the growth of social entrepreneurship. First, the interest in solving the societal problems via innovative and sustainable ideas (Johnson, 2000; Alvord et al, 2002; Santos, 2009; Thompson et al., 2000; Catford, 1998; Blackburn & Ram, 2006). Secondly, some of the concern or issues raised are not addressed by

¹ <https://www.statista.com/topics/6139/covid-19-impact-on-the-global-economy/>

² <https://www.nst.com.my/business/2020/08/616534/malaysias-economy-shrinks-171pct-covid-19-impact>

³ <https://www.theedgemarkets.com/article/what-experts-are-saying-about-road-ahead-malaysias-economic-recovery>

the public sector but concurrently failed to attract private sector philanthropic attention (Darby & Jenkins, 2006; Bach & Stark, 2002; Shleifer, 1998; Comelius et al., 2008). Thirdly, commercial entrepreneurs have contributed to social sector with the intention for wealth creation that at the same time create both impacts on their community's social and economic conditions (Shaker et al., 2008; Wallace, 1999). In effect, there is overlapping of social enterprise activities amongst the key actors from the public, private and voluntary sectors (Perrini & Vurro, 2006).

Furthermore, the move for addressing social issues away from non-profit organizations had been driven largely by two main factors; I. Public dissatisfaction with the way how the organizations manage the social services leading to the call for improving the practices in more business-like efficiency and effectiveness (Shleifer, 1998; Okpara & Halkias, 2011); II. The need to find a more sustainable mode of sourcing funds and resources (Johnson, 2000; Mort et al., 2003; Okpara & Halkias, 2011). As a result, many have highlight and recognised SE as the answer to address the above (Harding, 2004; Nicholls, 2006; Reis & Clohesy, 1999; Jiao, 2011) and by extending this argument, it is also suitable for addressing community developmental needs.

Local media reported an increase in the number of poor in the community. This situation had become even more dire due to the Pandemic, a recent report estimated 600 thousand households income had dropped from the middle 40% to the 40% category for the lowest income group⁴. It is thus proposed that Social Entrepreneurship has the potential to be a viable alternative solution for addressing community developmental needs in Malaysia.

2. Literature Review

In order to achieve a good appreciation of the current understanding of SE for CD specifically for Malaysia this paper performed a systematic literature review (Tranfield, et al., 2003). Related terms were included to ensure proper coverage, for SE, following terms were specified; “Social Entrepreneur” and “Social Enterprise”. None were included for CD and Malaysia.

The search was done using the Lens.org platform. The benefits of using this platform are increasingly recognised by researchers (Martín-Martín, et.al., 2021; Kirkham, et. al., 2020). First launched in 2000 as Patent Lens, it is a patent search engine service by Cambia, an Australia-based non-profit organization. In 2013 it became The Lens and has since become more than just a patent search platform. The Scholarly Works function provide coverage to a wide range of literature of various types from numerous publishers across multiple databases. The count of data set for scholarly works at the point of writing this paper was close to 235 million. Furthermore, there is the added benefit of the analytics the system

⁴ <https://www.thestar.com.my/business/business-news/2021/06/18/reversing-the-decline-among-m40>

generates for every search conducted which makes for easy appreciation of the research trends of the search subject.

The search parameters used on The Lens for this study were Scholarly Works; Date Range (2011-2021); Field (Title, Abstract, Keyword, Field of Study); and Publication Type (Journal, Conference Proceedings Article, Dissertation). The publication types selected because these are peer-reviewed. The date range gives the opportunity to review works published over a decade up until 30th June 2021, searching for specified search terms in the article's title, abstract, keywords and field of study.

The flow of the search strategy is designed to allow insights to the research trends and importance before zooming to the focus of the study. The search flow is as indicated in the following Table 1.

Table 1: Search strategy

No.	Search String	The Lens Link
	“Community Development”	
1	“Social Entrepreneurship” OR “Social Entrepreneur” OR “Social Enterprise”	https://link.lens.org/A8H89xJblzh
2	“Community Development” AND (“Social Entrepreneurship” OR “Social Entrepreneur” OR “Social Enterprise”)	https://link.lens.org/WuXwq8jXJUd
3	“Community Development” AND “Malaysia”	https://link.lens.org/7HCP6r2XfXk
4	(“Social Entrepreneurship” OR “Social Entrepreneur” OR “Social Enterprise”)	https://link.lens.org/q2vZrWmId5i
5	AND “Malaysia”	https://link.lens.org/PnSdXw3A11c
6	(“Community Development” AND (“Social Entrepreneurship” OR “Social Entrepreneur” OR “Social Enterprise”)) AND “Malaysia”	https://link.lens.org/K9tP7gvE92c

In the first instance, the returned datasets of scholarly works from the search conducted gave an interesting picture of the research landscape being studied. The following Table 2 provide the outcome of the search strategy conducted. Specifically, 18421 scholarly works or publications were produced on “Community Development” and 16942 on “Social Entrepreneurship/Entrepreneur/Enterprise” throughout the past decade. The breakdown of the counts according to the 3 publication types of interest are also reported. The search was then refined in scope as indicated earlier and the results are also reported accordingly. Generally, as can be seen from the numbers of the total counts, the works produced increasingly become fewer as the search scope become more specified and focused.

The analysis produced by The Lens for each search gave us some interesting trends. The total count over time showed an increasing trend for both basic areas of interest for this study. Thus, it can be said that there had been a steady increase in

interest and importance on the two areas: community development and social entrepreneurship. When the search looks for work that addressed both topic (Table 2, No. 3), the total count returned were significantly less (219), the numbers peaked in 2014 but dropped gradually till 2017 and then showed an increasing trend till 2019. Even though, there wasn't a clear continued increasing trend observed as per the earlier two searches, there is however a clear research conversation going on linking social entrepreneurship and community development that warrants further explorations.

Table 2: Search summary

Search String	Total	Journal	Dissertation	Conference Proceedings	Article
1	18421	7986	1336		162
2	16942	7492	710		221
3	219	100	19		1
4	285	140	25		7
5	211	81	8		7
6	7	1	1		0

The searches on community development in the contexts of interest (Table 2, No. 4), showed an increasing trend over time. The same was done for social entrepreneurship (Table 2, No. 5), once again an increasing trend was observed with a spike in 2015 which coincide with the launch of the national policy framework; Malaysian Social Enterprise Blueprint 2015-2018⁵. The final search (Table 2, No. 6) focuses about social entrepreneurship for community development in the context of Malaysia. Clearly, it can be concluded that there is a major research gap on the subject of social entrepreneurship for community development in Malaysia. The search only returned 7 publications: but only 1 journal paper and 1 dissertation. Clearly more study is needed on the subject given the general importance established based on the results of the earlier searches.

Next, is the review of the 2 publications returned; the journal paper is Rokisa (2019) and the dissertation is Ismail (2017). The paper by Rokisa (2019) focused on entrepreneurial women from the low-income group in the capital city, Kuala Lumpur. The research investigates their levels of entrepreneurial awareness and intention. A significant relationship was found with being socioeconomically sustainable. The work then recommends social entrepreneurship among women from across the various races in Malaysia and highlighting the impact it can have on community development as well as national unity. The other scholarly work returned from the final search string is the dissertation by Ismail (2017) that aimed to study NGOs focusing on the welfare of the muslim malay community. Specifically, he focused on the management challenges faced by the organizations to achieve community empowerment objectives. The study recognized the potential

⁵ <https://www.digitalnewsasia.com/digital-economy/malaysia-unveils-social-enterprise-blueprint>

social entrepreneurship has for community development agenda but found that it was not yet been implemented as the primary strategy to drive the NGOs. These basically reinforce the idea that SE is indeed a viable strategic focus that can drive the CD agenda in Malaysia. An important question relating to the proposition is how should one approach it to ensure sustainability and success? This paper posits that a key to the success of this agenda is to have healthy uptake from amongst the youth of the country especially graduates. This is because the graduates will have knowledge, skills, and exposure that most likely will enable for them to come up with impactful innovative solutions. Thus, it is important to understand the key factors that can drive the youth towards SE for CD.

2.1. Research Framework

Amongst the various scholarly works discovered from the research process earlier, one particular work was found to be highly relevant; the work by Hockerts (2017) presented a model that allow us to understand the antecedents for social entrepreneurial intention. Further investigation led us to recognize the prior works that led to Hockert's model.

Mair and Noboa (2006) were the pioneer and first to develop the hypothetical idea of the antecedents of social entrepreneurial intention. Their model was based on the theory of Entrepreneurial Intention (Krueger, 1993; Krueger, Reilly, and Carsrud, 2000), Ajzen's (1991) Theory of Planned Behavior (TPB), which signifies that intentions are reliable and robust predictors of actual behaviour, and Shapero and Sokol's Entrepreneurial Event Formation Theory (1982). According to Mair and Noboa (2006), the social entrepreneurial setting has some distinctive elements that require to adopt the traditional measures used in the earlier theories. The four antecedents they propose for social entrepreneurial intentions are as follows: I. empathy as the proxy for attitudes toward behavior, II. moral obligation as a proxy for social norms, III. self-efficacy as a proxy for internal behavioral control, and IV. perceived social support as a proxy for external behavioral control. In order to further develop the model, Hockerts (2017) added "prior experience with social organizations" as an additional antecedent of social entrepreneurial intention.

This paper argues that the model can be further enhanced. Thus, the following adaptations are suggested to the model; I) Replacing "moral obligation" with "social awareness" as the substitute for social norms. Hockerts (2017)(p. 108) defined moral obligation "as being positioned between the act of moral judgment and the formation of moral intent" thus it was suggested that an effective use of it as a proxy for social norms as the variable measuring the responsible feeling to assist. As a result, it is argued that social awareness (Kwong, et.al., 2012; Žur 2015; Karthik and Ramprasad, 2021) is also an adequate substitute for social norms because it evaluates a person's awareness and presence in one's shared environment, which stimulates the helping behavior. II) Next, this study replaced "prior

experience with social organizations” with “prior entrepreneurship experience” (Lyons and Zhang, 2017; Zappe, et.al., 2012) because it is expected that such experience would have a more significant impact on the social entrepreneurship idea formation and development, and as a result, intent. III) “Intention” is replaced with “readiness” as it is believed that readiness would be a closer precursor to behavior (Salman, et.al., 2019; Ivanyshyn, et.al., 2020). IV; Razzak and Khan 2022; Hadjinicolaou et al., 2022) Finally, prior knowledge of social entrepreneurship or “social entrepreneurship awareness” (Cai and Sun, 2012; Karthik and Ramprasad, 2021) might also be an important factor that can affect the formation of intention. Ultimately, “social awareness” and “prior entrepreneurship experience” together, is expected to provide grounds for the motives to be socially responsible as well as the emergence of ideas in an entrepreneurial manner addressing the societal issues. Prior knowledge or awareness is expected to moderate the relationships. The resulting framework (Figure 1) is thus proposed to be explored and tested to enable us to better understand how best to design interventions to drive youth participation in social entrepreneurship for community development.

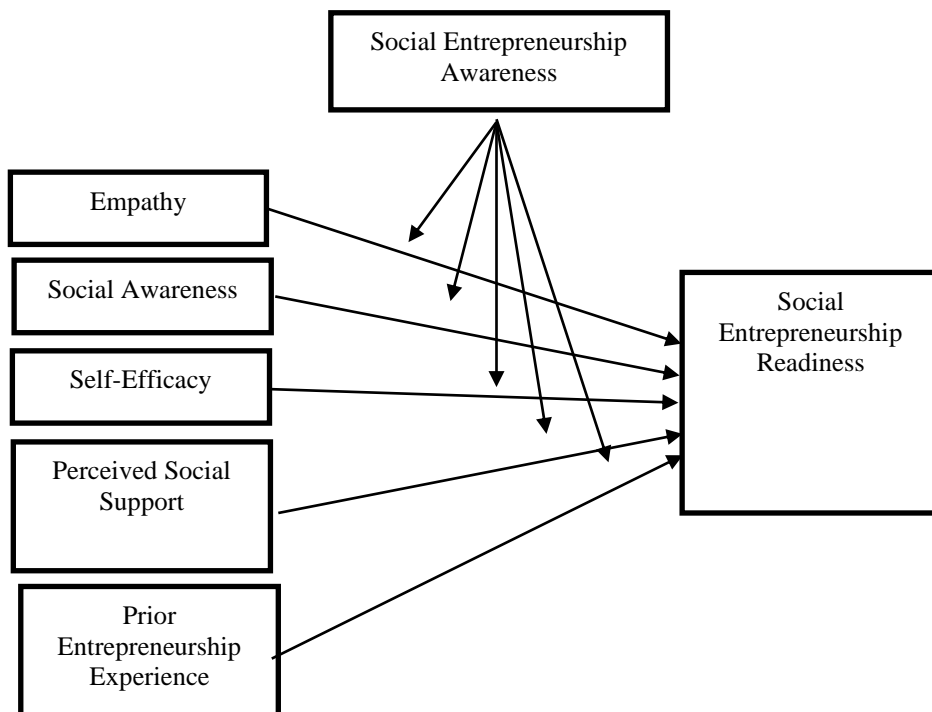


Fig. 1: Research Framework

Based on the above framework, the following hypotheses are proposed:

H₁: Empathy (Emp) has a significant positive effect towards Social

Entrepreneurship Readiness (SER).

H₂: Social Awareness (SA) has a significant positive effect towards Social Entrepreneurship Readiness.

H₃: Self Efficacy (SEf) has a significant positive effect towards Social Entrepreneurship Readiness.

H₄: Perceived Social Support (PSS) has a significant positive effect towards Social Entrepreneurship Readiness.

H₅: Prior Entrepreneurship Experience (PEE) has a significant positive effect towards Social Entrepreneurship Readiness.

H₆: Social Entrepreneurship Awareness (SEA) moderates the effect of Empathy towards Social Entrepreneurship Readiness.

H₇: Social Entrepreneurship Awareness moderates the effect of Social Awareness towards Social Entrepreneurship Readiness.

H₈: Social Entrepreneurship Awareness moderates the effect of Self Efficacy towards Social Entrepreneurship Readiness.

H₉: Social Entrepreneurship Awareness moderates the effect of Perceived Social Support towards Social Entrepreneurship Readiness.

H₁₀: Social Entrepreneurship Awareness moderates the effect of Prior Entrepreneurship Experience towards Social Entrepreneurship Readiness.

3. Research Methodology

The section discusses the methods and procedures used in the study, namely, the sampling processes, as well as the design and development of survey instrument used in this study. An online survey using self-administered questionnaire was conducted from May till September 2021. Due to restrictions in place in response to the Pandemic, convenience sampling technique (Galloway, 2005) was used where the link to the online survey was shared with contacts, online groups, posted on the researchers' social media accounts and also later shared by the participants to his or her networks.

Using G*Power (Faul et.al., 2007) it was determined a minimum sample size of 138 (confidence level = 95%; medium effect size = 0.15) was needed to ensure the study's validity. Thus, the study targeted to achieve a sample size of 150. Finally, a total of 176 valid responses were collected which were deemed useful for data analysis after excluding partial responses and missing data.

The online survey was administered to the targeted respondents using Google form. This helped to ensure ease of access to the survey for the respondents and motivate them to complete it. Using Google form also ensured that the responses were automatically stored digitally and avoided any possible data entry errors common when using printed survey forms. Several screening questions were used

to ensure only the target respondents take part in the online survey, such as age (individuals aged between 18 to 35 years old), institution (individuals who are currently enrolled in Malaysian institutions of higher learning) and program (individuals who are in undergraduate programs).

The online self-administered survey consists of 3 sections. The first section captures the demographic details of the respondents. The second section determines their knowledge and awareness on SE. Finally, the third section consists of the items that measure the determinants as per the research framework. All the measurement items were adapted from past studies used to construct the research framework. The survey used the 5-point Likert scale ranging from 1 = “Strongly Disagree” to 7 = “Strongly Agree”.

The first 30 collected responses were analysed to verify the reliability of the scales used for the survey. Specifically, the items used to measure the constructs examined in this study were analyzed for reliability analysis to determine their internal reliability. This was done using Cronbach’s Alpha and according to previous studies Cronbach’s Alpha greater than 0.50 is deemed as acceptable (Morera & Stokes, 2016; Streiner, 2003). All the constructs were considered as reliable and good as the Cronbach’s Alpha were above 0.50. Namely, PEE (0.531), Emp (0.796), SEf (0.885), PSS (0.876), SA (0.945) and SER (0.95). Thus, the survey was deemed reliable and good for the study. Since no changes were made to the survey, the first 30 responses used for the pilot test were then included as part of the main data analysis. The SmartPLS software was used for the analysis to test the 10 hypotheses proposed earlier. The following section presents and discusses the findings.

4. Findings

This section presents the findings from the completed survey. Specifically, demographic profile of the sample, the outcome of the hypotheses testing, and discussion based on the findings.

4.1. Profile of Respondents

To analyze the respondents' SEA and demographic profile, descriptive analysis was done. Table 3 presents a profile of the respondents.

Table 3: Profile of Respondents

Variables		Frequency	Percentage
1. Gender	Male	82	46.6
	Female	94	53.4
2. Age	≤ 20 years	22	12.5
	21 – 25 years	150	85.2
	26 – 30 years	4	2.3
	31 – 35 years	0	0

3. Household Monthly Income	≤ MYR 2500	67	38.1
	MYR 2501 - MYR 5000	44	25.0
	MYR 5001 - MYR7500	25	14.2
	≥ MYR7501	40	22.7
4. Current Year in Program	First	45	25.6
	Second	86	48.9
	Third	29	16.5
	Fourth	15	8.5
	Fifth or More	1	0.6
5. Field of Study	Business & Management	71	40.3
	Cinematic Arts	1	0.6
	Creative Multimedia	15	8.5
	Engineering & Technology	47	26.7
	Information Technology	4	2.3
	Literature	1	0.6
	Medicine	2	1.1
	Sciences	34	19.3
	Others	87	49.4
6. SEA	Yes	89	50.6
	No	139	79.0
7. CD is my preferred SE sector.	Yes	37	21.0
	No	172	97.8
8. SE is important component of the economy.	Yes	4	2.3
	No	162	92.0
9. SE can be a very lucrative business.	Yes	14	8.0
	No	169	96.0
10. SE can affect positively towards CD in the country.	Yes	7	4.0
	No	171	97.2
11. SE can provide effective and innovative solutions for CD in the country.	Yes	5	2.8
	No	162	92.0
12. Social entrepreneurs are advocates or champions for CD in the country.	Yes	14	8.0
	No	171	97.2
13. Social entrepreneurs can create impactful CD initiatives in the country.	Yes	5	2.8
	No	171	97.2

Among the 176 respondents, there is almost a balance representation of gender with female being slightly higher (53.4%). All the respondents fall within the youth category with ages not exceeding 35 years old. They are all also currently enrolled in an institution of higher learning at various stages and majoring. In terms of background, according to the household monthly income, it can be said that there is a good representation of respondents from all levels of the economic pyramid.

In terms of SEA, the sample has an almost 50-50 distribution. When asked on their preference towards CD as their SE sector or focus, majority stated that it is their preferred choice. Furthermore, items 8 to 13 indicate an overall positive outlook on SE in general as well as SE for CD specifically.

4.2. Analysis

The analysis employs the standard PLS analysis reporting format that has been established by prior research (Chin & Dibbern, 2010). PLS-SEM was used to test the research model for this study, and measurement model as well as its structural model were assessed using SmartPLS 3.0. This statistical software computes the parameters of the structural model and evaluates the psychometric qualities of the measuring model.

4.2.1. Measurement Model Assessment

The first step of the analysis was the internal consistency and convergent validity of the measurement model. The internal consistency analysis was used to examine the reliability of the measurement model for this research. The reliability analysis was conducted to reaffirm the internal reliability of the items used to measure the constructs tested in this study. This was done using Cronbach's Alpha and Composite Reliability and according to previous studies, the threshold is 0.70, which means 0.70 is acceptable, 0.80 or greater is preferred (Cortina, 1993) and higher is generally better. All the constructs for this study were considered reliable and good as the Cronbach's Alpha and Composite Reliability mostly were above 0.80. Meanwhile, the convergent validity was assessed using average variance extracted (AVE) which the threshold is 0.50. The analysis shows the AVE values of the reflective constructs are greater than the threshold of 0.5 fulfilling the convergent validity meaning the measurements (indicators) and variables are valid to be used in this model. Table 4 presents the result of the analysis.

Table 4: Measurement Model Assessment

Construct	AVE	Cronbach's Alpha	Composite Reliability
Emp	0.578	0.814	0.842
SA	0.601	0.945	0.951
SEf	0.690	0.889	0.914
PSS	0.771	0.879	0.911

PEE	0.527	0.843	0.845
SER	0.871	0.950	0.964

4.2.2. Structural Model Assessment

The last step of the analysis is the structural model assessment. By using SmartPLS 3.0, the structural model assessment includes collinearity assessment, coefficient of determination (R^2), effect size (f^2), model fit and the regression analysis (refer to the following section) represented by the path coefficient between Emp, SA, SEf, PSS, and PEE towards SER, also the moderation effects by SEA on these relationships.

VIF values larger than 5 in predictor constructs are crucial collinearity thresholds for assessing collinearity (Ringle, Wende, & Becker, 2015). When VIF reaches a crucial level, dropping or combining the predictor should be taken into consideration. The result in Table 5 shows the VIF values are lower than 5. Hence, no elimination or merging is required.

Table 5: Collinearity Assessment

Predictors	VIF
Emp	1.066
SA	2.333
SEf	2.092
PSS	3.064
PEE	1.145

Next, coefficient of determination (R^2) is the squared relationship between the actual and predicted numbers of a specific endogenous construct which is a measurement of the predictive power model. The coefficient indicates the amount value of variance in the endogenous constructs. Based on Hair, Ringle, & Sarstedt (2011), the R^2 values are divided into three categories which are 0.75 indicates substantial, 0.50 indicates moderate, and 0.25 indicates weak. Thus, the prediction power of the endogenous variable Social Entrepreneurship Readiness is shown in Table 6 indicating the model has a good predictive power with the R^2 value 0.808.

Table 6: Coefficient of Determination (R^2)

Variable	R^2	Predictive Power
Social Entrepreneurship Readiness	0.808	Substantial

Moreover, the effect size (f^2) determines the differences between R^2 value changes when each exogenous variable is removed, allowing researchers to examine how exogenous variables affect the endogenous variable. The exogenous latent variable is presented as below 0.02 no effect, 0.02 small, 0.15 medium, and 0.34

large effects (Cohen, 1998). Table 7 presents the analysis.

Table 7: Effect size

Hypothesis	Relationship	(f ²)	Inference
H1	Emp -> SER	0.000	No effect
H2	SA -> SER	0.002	No effect
H3	SEf -> SER	0.048	Small
H4	PSS -> SER	0.028	Small
H5	PEE -> SER	0.030	Small
H6	Emp -> SEA -> SER	0.007	No effect
H7	SA -> SEA -> SER	0.004	No effect
H8	SEf -> SEA -> SER	0.003	No effect
H9	PSS -> SEA -> SER	0.014	No effect
H10	PEE -> SEA -> SER	0.015	No effect

Lastly, the final step of the analysis in this research is the Standardized Root Mean Square Residual (SRMR) test. SRMR was used to validate the goodness of model fit. The SRMR of the saturated model is 0.071 which is less than 0.08 as recommended by Henseler et al. (2014) to be considered a good model fit. Thus, the results show that the study has a good model fit and the findings from the sample can be considered representative of the target population.

4.2.3. Hypotheses Testing

Bootstrapping analysis using SmartPLS were carried out to test for the significance of the proposed hypotheses. Table 8 presents the results of the analysis.

Table 8: Hypotheses Testing

Hypothesis	Path Coefficients (β)	P-Values	Significance
H ₁	0.030	0.417	No
H ₂	-0.073	0.347	No
H ₃	0.348	0.014	Yes
H ₄	0.236	0.019	Yes
H ₅	0.217	0.006	Yes
H ₆	-0.330	0.160	No
H ₇	0.254	0.253	No
H ₈	-0.240	0.283	No
H ₉	0.350	0.110	No
H ₁₀	-0.175	0.025	Yes

The results showed that there is a significant positive relationship between SEf and SER ($\beta = 0.348$; $p < 0.05$). Thus, H₃ is supported. This suggest that the higher the youth's belief in his or her capabilities the more likely they will be ready to become a social entrepreneur. This is similar to the earlier study referred to for the research framework development but focusing on intention. The other significant positive relationship is H₄; between PSS and SER ($\beta = 0.236$; $p < 0.05$). This hypothesis is also accepted. Another finding that is in line with the prior study. This means that if the youth perceive their friends, family and others who they refer to, are supportive both in terms of material and psychological or emotional, the more likely they will be ready for social entrepreneurship.

Next, H₅ also is found to be significant and can be accepted. Specifically, there is a significant positive relationship between PEE and SER ($\beta = 0.217$; $p < 0.05$). This can be taken as confirming the earlier proposition that having prior entrepreneurship experience would be an impetus towards social entrepreneurship. The other significant relationship is H₁₀; SEA's negative moderating effect on the relationship between PEE and SER ($\beta = -0.175$; $p < 0.05$). H₁₀ is accepted. The negative moderating effect of SEA could be due to awareness or understanding of SE would mean that one appreciates not only the potentials of SE but also the various challenges and complexities that comes with it. Thus, it may have a tempering effect towards their SER. Those only with PEE but no SEA, probably would be more enthusiastic and readier for SE since they are not hampered by the knowledge of the challenges and complexities.

The results also showed that there are no significant positive relationships found for Emp and SA towards SER amongst the youth in Malaysia. Thus, H₁ and H₂ are rejected. This probably can be explained by the difference in empathic responses according to cultural background, where (Atkins, et.al., 2016) found that East Asian comparatively to have lower empathy. Similarly, another study (Yusuf, et.al., 2018)

found that multicultural awareness and education in Malaysia was still at low to medium level, thus the likelihood of the youth to have high SA is still relatively low.

Furthermore, there are no significant moderating effect by SEA on the relationships between Emp, SA, SEf and PSS with SER respectively. Thus, H6, H7, H8 and H9 are also rejected.

On SE for CD in Malaysia, the findings shown in Table 3 (items 7 to 13), give a positive outlook for this agenda. The youth seem to have a generally good perceptions towards SE, where majority of them perceived it to be both an important component of the economy and that it can promise to be a lucrative business venture. This warrants for interventions and promotions for SE in campuses by the responsible agencies.

Earlier it was suggested that a key to the success of this SE for CD agenda is to have healthy uptake from amongst the youth of the country especially graduates. The finding from item 7 and 10 in Table 3, confirmed the interest amongst the youth towards SE for CD. The youth also believe that SE can come up with impactful innovative solutions for CD (Item 11 and 13, Table 3). Thus, the above findings are important insights that highlighted determinants that can drive the youth towards SE for CD.

5. Discussions

The preceding literature review findings pointed to research gaps for the scholars to address. More research findings filling the gaps will help to better drive SE for CD. For the CD practitioners, the findings from this study can open their minds to the potentials of SE as a better strategic option to achieve their objectives. That can be more innovative, impactful, and sustainable. They can be less dependent on subsidy and charity. This would also allow for CD to be championed by private sector; no longer depending on the government.

The descriptive analysis shown in Table 3 have reported positive attitude towards SE amongst the youth. They also have equally positive attitude towards SE for CD specifically. This points to CD practitioners on the potential of the younger generation as the next vanguards for CD in the country. They should engage the undergraduates to increase their awareness of CD. Programs such as volunteerism, outreach and experiential placements should be promoted to the undergraduates. Close collaboration between the CD practitioners with officers in charge of student affairs and community outreach would be a key strategy. The same is also applicable to SE practitioners and agencies promoting SE in the country. Nowadays, it is common that universities and colleges to have units or centres focusing on entrepreneurship development. Thus, it is important for these offices to have programs that can promote SE to their student body and nurture homegrown social enterprises.

The results of this study have identified three determinants, namely SEf, PSS and PEE to have significant positive relationships toward Malaysian youth who are undergraduates' readiness for social entrepreneurship. This suggest it is important for the institutions to have extra-curricular activities take can contribute towards character building and self-efficacy. Incorporating entrepreneurship education and activities into programme structures would enhance undergraduates' PEE. Educators should be encouraged to embed entrepreneurial learning elements into the courses that they teach. The entrepreneurship centres should provide ample opportunities for actual entrepreneurship activities. Enablers such as financial supports, accelerators, trainings, and co-working spaces are amongst the initiatives seen in campuses nowadays. The policymakers should drive more initiatives that can promote positive outlook towards SE in general and SE for CD specifically, with the public. This will contribute towards positive PSS. masses. This is important given the predisposition with parents wanting their children to go for job security.

The Pandemic and the various measures to curb the spread such as lockdowns have led to numerous problems and issues. These ranges from increased in the number of people falling into the poverty bracket, mental health cases, digital divide, to issues such as animal welfare and abandonment. This situation increased the importance of CD activities.

However, since governments need to prioritise on securing the fundamentals for successful new normal acculturation and post pandemic recovery, SE for CD can be the viable solution. Furthermore, the Pandemic also points to the opportunities in social enterprises that can focus on CD issues assisting the society to recover from the impacts of the Pandemic and assimilate to the new norms as well as CD that will lead to better resilience against any future pandemics.

These implications and recommendations can feed to the formulation of a new policy framework for social entrepreneurship in Malaysia. The Malaysian Social Enterprise Blueprint was launched to be the main framework from 2015 till 2018. Clearly, the blueprint can no longer be the main reference for the actors in the country to drive development of social enterprises and entrepreneurs. Since the original blueprint was launched, the country had gone through several major changes in the political landscape. Not only the country but the world also changed because of the Pandemic. Thus, the current government should take the opportunity from the insights brought forward by the changes that had occurred to formulate a new blueprint that can not only increase the rate of social entrepreneurship activities in Malaysia but also to affect a paradigm shift where community development is championed by homegrown social enterprises and entrepreneurs.

6. Conclusions

This study has achieved the research objectives, to explore the potentials of SE for

CD and understand the factors affecting the youth's - specifically undergraduates in Malaysia – readiness for SE. The findings cannot be generalised to the entire youth population in Malaysia. Further studies that capture a bigger sampling of the youth population going beyond the undergraduate category would provide better understanding on the subject. Furthermore, comparative analysis amongst the various subgroups within the population such as gender, race, geography, etc. would also enrich the insights. This study explored several new determinants, namely, SA and PEE, future studies could explore other new factors such as prior philanthropic experience, inclusiveness, innovativeness, and entrepreneurial orientation so that a more comprehensive understanding of the SER can be obtained.

This study has highlighted the increasing interest in social enterprises as viable alternative drivers for community development agenda. The study also recognised the dearth in such study in the context of Malaysia. It was thus proposed that a key to the success of this agenda is to have healthy uptake from amongst the youth of the country especially graduates. It was found that SEf, PSS and PEE to have a significant positive relationship towards SER amongst undergraduates in Malaysia. These insights can lead to the formulation of effective policies and programmes to encourage as well as enable new generations of social entrepreneurs championing impactful community development activities.

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