

**THE REPUBLIC OF TURKEY
BAHCESEHIR UNIVERSITY**

**SOCIAL ENTERPRISES AND SUSTAINABLE
COMPETITIVENESS: A STUDY ON THE GAZA STRIP**

Master's Thesis

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**THE REPUBLIC OF TURKEY
BAHCESEHIR UNIVERSITY**

**SOCIAL SCIENCE INSTITUTE
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ABSTRACT

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The main objective of the research was to develop and build a clear understanding and awareness about sustainability of social enterprises in Gaza Strip, discuss the sustainability and identify the sustainability challenges. Qualitative and quantitative methods were used in the research. To achieve the objectives, three tools were used in this research. In the first tool, a questionnaire was used to collect the data from around 117 individuals who are working in social enterprises in the Gaza strip, the questionnaire was about about the concept, impact, and sustainability challenges. In the second tool, the researcher carried out a semi- structured interview with six representatives from international and national organizations, and two representatives from government organizations. The interviews add more information that supports the results of the first study. The third tool is IRADA case, where IRADA center at the Islamic University of Gaza was selected as a social enterprise and it help to identify the impact of the social enterprise from the perspective of the beneficiaries.

The findings of the research have confirmed the four hypotheses that there is a significant relationship between social enterprises sustainability and identifying resources, competitive advantage, organizational capabilities, and legitimacy. In addition, the findings have shown that the social enterprise has essential and a key role in improving the life of vulnerable group in the Gaza strip. In the other side, it has been clear that the social enterprises in Gaza face many challenges that negatively affect the sustainability opportunity.

Keywords : Social Enterprise, Gaza Strip, Sustainability.

ÖZET

SOSYAL GİRİŞİMLER VE SÜRDÜRÜLEBİLİR REKABETÇİLİK: GAZZE ÜZERİNDE BİR ARAŞTIRMA

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Bu araştırmanın temel amacı, Gazze Şeridi'ndeki sosyal girişimlerin sürdürülebilirliği konusunda net bir anlayış geliştirmek, sürdürülebilirliği tartışmak ve sürdürülebilirlik zorluklarını tespit etmektir. Araştırmada nitel ve nicel yöntemler kullanılmıştır. Amaçlara ulaşmak için bu araştırmada üç çalışma yapılmıştır. İlk çalışmada, Gazze Şeridi'ndeki 117 sosyal girişimciden konsept, etki ve sürdürülebilirlik zorlukları hakkındaki verileri toplamak için bir anket kullanılmıştır. İkinci çalışmada, uluslararası ve ulusal kuruluşlardan altı temsilci ve devlet kuruluşlarından iki temsilci ile yarı yapılandırılmış bir görüşme yapılmıştır. Görüşmeler, ilk çalışmanın sonuçlarını destekleyen daha fazla bilgi eklemektedir. Üçüncü çalışma, Gazze İslam Üniversitesi'ndeki IRADA merkezinin bir sosyal girişim olarak seçildiği ve sosyal girişimin faydalanıcıların perspektifinden etkilerinin tanımlanmasına yardımcı olduğu bir örnek olay çalışmasıdır.

Araştırmanın bulguları, sosyal girişimcilerin sürdürülebilirliği ile kaynakları belirleme, rekabet avantajı, örgütsel yetenekler ve meşruiyet arasında anlamlı bir ilişki olduğunu ortaya koyan dört hipotez olduğunu doğrulamaktadır. Ek olarak, bulgulara göre sosyal girişimin, Gazze Şeridi'ndeki savunmasız grupların hayatını iyileştirmede kilit bir rol oynadığını göstermektedir. Diğer taraftan, Gazze'deki sosyal girişimlerin sürdürülebilirlik fırsatını olumsuz yönde etkileyen birçok zorlukla karşı karşıya olduğu açıktır.

Anahtar Kelimeler: Sosyal Girişim, Gazze Şeridi, Sürdürülebilirlik.

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ABBREVIATIONS

CC	:	Correlation Coefficient
Enable	:	Belgian Agency for Development
NGO	:	Non-Governmental Organization
PwD	:	People with Disability
SDC	:	Swiss Agency for Development
SEs	:	Social Enterprises
SE	:	Social Enterprise
TBL	:	Triple Bottom Line
UNDP	:	United Nations Development Programme

1. INTRODUCTION

This chapter illustrates the research problem and gives history and background to the subject field, aim, goals of the research, key research questions, and hypothesis. In addition, research scope, design of research and contributions to knowledge, as well as the outline of the thesis are included in this chapter.

Social Enterprises (SEs) have shown huge expansion recently and have jumped to become a trend and worldwide social, cultural and economic phenomenon (Pless 2012; Terjesen et al. 2011). SEs are trying to respond to community needs and changes using initiatives serve sustainable develop approach (Picciotti 2017). this provides clear idea about the particular nature of SE, these bodies have the ability to create an environment in which profit and nonprofit institutes, private and public sectors can coordinate and cooperate to create new business to achieve social sustainable development goal (Picciotti 2017).

SEs have three main lineaments and Specifications: A social goal; a considerable revenue which is coming from trade, business and enterprising activities; social purpose achievement and its impacts, through distribution of profit which supports social activities (Burkett 2010). The unique functions of social enterprise enhance the cooperation and the engagement between resources of a public, market and community nature (Picciotti 2017).

Social enterprise is playing an important and critical role of economic expansion and growth. It helps in fasten the innovation, creates more jobs opportunities, supports achievement of development and provides community with products, goods and services, as its main function and mission is to help and support the community and society (Borza et al. 2009). Which means, SEs tries to find and build sustainable system change through digging deep in the root causes of poverty, marginalization, environmental deterioration and accompanying loss of human dignity and eliminate it (Faruk et al. 2016).

Sustainability status was inserted by an increasing number of SEs into SEs strategic planning operations and processes and sustainability policies, plans and programs were established to respond to these issues (Searcy 2016). SEs are working on applying several managerial and strategic techniques and methods in wide range to guarantee long term sustainability which enables SEs to achieve their social mission. (Sabella and Eid, 2016). In conceptual terms, the core of SE is the pursuit of conditions of economic, environmental, and social sustainability (Picciotti 2017).

Because of the social and profit goals for SE, running a social enterprise is not easy and is considered more harder and difficult than running a small or medium-sized private enterprise, SEs put an eye to achieve economic sustainability as business enterprises and second eye on their social mission for the benefit of society (Leung et al. 2019).

Gaza strip in Palestine faces huge and great economic and social problems and challenges. According to the Palestinian Central Bureau of Statistics (2018) the employment power decreased, and unemployment rate reached to 53.7% in Gaza strip and 80% of the total population depends on social assistance provided by international organizations. In addition to that, all sectors are paralyzed, aggression and siege imposed on the Gaza Strip affected education, health and power supply. Several projects were recently implemented by international organizations, which encourage evolving of social enterprises as a response to those needs and challenges of society.

The SEs are a form of enterprise with a social value and purpose, in which there is a society need, and which covers these needs using creative and innovative solutions. In simple words, SE is motivated by social outcomes and by a business model that makes enterprise become sustainable (Jackson 2011; Leung et al. 2019). Social entrepreneurs' role is to empower people in dire need and build their capacities, their mission is to teach them how to survive and develop themselves not just handover assistance to them (Del Moral 2016).

Despite the increasing number of creating and finding SEs in the Gaza Strip, and due to huge needs and complexity in all sectors the idea and the core concept of a social

enterprise is still undefined (Akella and Eid 2018). In addition, one of the biggest problems and challenges in the Gaza Strip facing SEs is the sustainability of a social enterprise. Therefore, the discussion of functions and roles of SE in Gaza strip, along with the research factors that improve the SE sustainability in the Gaza strip, are important and essential.

In Gaza strip the social enterprises are operating in unstable and dangerous environment, as the Gaza strip is in a conflict zone and suffers from closure and continuous aggression that lead to deterioration and paralyzing in all aspects of life. Meanwhile, the success of such form of enterprise is a very important issue for Gaza strip, as it must implement innovations and available resources to meet the great social needs in the strip.

Therefore, the main challenge for the social enterprise in the strip is finding how to sustain and how to balance the need, how to achieve and find social value while establishing and finding economic value with insufficient resources (Sabella and Eid 2016).

This research will investigate the effect of four factors on social enterprise sustainability in Gaza strip. Those factors are identifying resources, competitive advantage, organizational capabilities, and legitimacy. Besides, the research will investigate the challenges that social enterprises in Gaza Strip face to maintain sustainability.

The study is covering the following most important aspects:

- i) *Knowledge*: the study focuses on sustainability of social enterprises in Gaza strip. It aims to develop and to reach a clear understanding and knowledge of the social enterprises sustainability and identify basic factors, which improve the sustainability of social enterprises. Accordingly, intensive and deep digging literature review was conducted by thy researcher to review previous studies in this field.
- ii) *Approach and instruments*: The research rely on qualitative and quantitative survey to measure objectives (analytical survey descriptive survey). The research technique

is shaped as a questionnaire and semi structured interviews. The questionnaire aims to investigate the main factors that improve sustainability of social enterprises; to determine the effect of social enterprises on socio-economic development; to address the challenges that sustainability of social enterprises faces with. On the other hand, the semi structured interview aims to investigate the role of funding agencies in maintaining the sustainability of social enterprises.

- iii) *Geographical*: The research is done in the five governorates of the Gaza Strip: Rafah governorate, Khan Younis governorate, Middle governorate, Gaza governorate, and The Northern governorate
- iv) *Population and sample*: research on population includes employees in social enterprises (executive managers, marketing managers, finance managers and operation managers). Size of sample is chosen accordingly to provide sufficient and exact information on reliability and specific degree of validity.
- v) *Time*: The distribution and collection of questionnaire survey was conducted in 2019.

2. LITERATURE REVIEW

SE main objective is to solve various social problems whether environmental, social challenges or economic predicaments created by businesses themselves. Thus, it is considered one of the most powerful and practical tools for tackling companies' social responsibilities.

The diverse contextual situations that created the concept of social enterprise countries were the reason behind the major differences between social enterprises in different countries. The difference between managing a SE and small or medium sized enterprise is that SE has to both achieve economic sustainability and carry out their social mission across the community.

This chapter presents the sustainability of social enterprises and also describes the definitions and the main characteristics of social enterprises. The review of these enterprises effect on socio-economic development, and challenges that social enterprises sustainability faces with, are presented. In addition, different cases of social enterprises in Gaza Strip are included in this chapter.

2.1 SOCIAL ENTERPRISES

Teasdale (2012), provided four theoretical approaches in describing the beginning of social enterprises. first, the failure of the state and the market to provide goods and social insurance (Spear, 2001); second, the reduction in government funding prompted intense competition for donations (Eikenberry, 2009), thereby stressing the adoption of earned income approaches to obtain commercial revenue; third, institutional theory which underlines the adoption of dominant practices in the field as portrayed by society's fixation with business ideologies (Dart, 2004); fourth is voluntary failure which describes the imbalance between state and not-for-profit organizations, thus explaining the increased dependency on the latter for addressing social problems and on the former for progressive funding.

A social enterprise is a business owned and conducted by civil society organizations: they generate financial returns and at the same time, promote social causes (Borza et al. 2009). Social enterprises serve as a mean to achieve financial stability while also having a significant social impact for civil society organizations (Light 1998). Therefore, these enterprises have a hybrid model consisting of the emergence of business, commercial and the social objectives (Steier and Greenwood 2000). In more detail, social enterprise is an organization that aligns social practices to promote its social mission, without overlooking of efficient and effective goods and services (Borza et al. 2009). Austin (2000) showed that social enterprise can have one or more owners with control over the organization earnings that are put back into a social cause and not distributed.

In the following sections, there will be a detailed background about the definition of social enterprises and characteristics of these enterprises. Also, this chapter will present the main differences between social enterprises and other enterprises.

2.1.1 Definition of Social Enterprises

Social entrepreneurs are individuals acting entrepreneurially in non-managerial positions or in limited scopes within a business or a start-up (Rahdari et al. 2016). They possess creative solutions to some of most demanding social problems: ambitious and persistent, tackling major social issues and offering new ideas for wide-scale change. Social entrepreneurs change the system by offering, spreading and encouraging the use of creative solutions by the community (Baporikar 2017; Drucker 1995; Faruk et al. 2016).

Social entrepreneurship is defined as “a process that creates social value because of the initiative in seeking solutions to societal problems through innovative strategies that involve the combination of resources, the exploitation of opportunities for stimulating social change, the satisfaction of social needs, and the development of social goods and services” (Morris et al. 2011). In other words, it is wise to start with a SE concept broadly defined as “a business venture or economic activities driven by social objectives” (Yu 2016).

The growing social problems in our complex modern society have made social entrepreneurship famous. In a way, it is a reaction to the ‘bottom line’ philosophy of modern big business with its emphasis on short-term profit to the detriment of any long term benefit to society as a whole or the human component of the business itself (Baporikar 2017). Briefly, SE is the process of pursuing innovative solutions to social problems (Baporikar 2017).

A Social Enterprise (SE) is usually defined as “an organization that addresses a basic unmet need or solve a social or environmental problem through a market-driven approach” (Social Enterprise Alliance 2018). Leung et al. (2019); Martin and Thompson (2010) defined the SE as a hybrid organization mixing non-profit and for-profit elements, conducting business activities to generate profit to finance a social, educational, cultural, religious, or charitable cause. Alter (2000) defined social enterprise as a “generic term for a nonprofit enterprise, social-purpose business or revenue-generating venture founded to support or create economic opportunities for poor and disadvantaged populations while simultaneously operating with reference to the financial bottom line”.

SEs aim to balance their mission of creating social value with financial sustainability (Battilana et al. 2015; Dacin et al. 2010; Jenner 2016). While it is in the interests of any society for SEs to successfully address community needs such as providing employment and serving disadvantaged groups, there is much concern about their risk of financial failure (Leung et al. 2019; Neck et al. 2009; Sabella and Eid 2016). The Forfás (2013) definition of social enterprise is widely used: “An enterprise that trades for a social/societal purpose, where at least part of its income is earned from its trading activity, is separate from government, and where the surplus is primarily reinvested in the social objective.”

Moizer and Tracey 2010; Rahdari et al. consider SEs as hybrid organizations seeking both social and commercial objectives. All these definitions have a common point of drawing out the two essential identifiers of SE: the adoption of some form of trading activity to generate revenue; and the pursuit of social goals (Mair and Martí 2006;

Peattie and Morley 2008; Powell et al. 2019). The concept of hybrid organizing has been put forward to manage these pulls, which Battilana and Lee (2014) defined as “the activities, structures, processes and meanings by which organizations understand and combine aspects of multiple organizational forms.”

From above mentioned, this research adopts the following definition: social enterprises are organizations seeking to achieve social goals through the application of commercial and business projects.

2.1.2 Characteristics of Social Enterprises

Social enterprises are non-profit organizations that seek to achieve social goals through commercial activity (Battilana et al. 2015; Jenner 2016; Rahdari et al. 2016). Because they have both social and commercial objectives, social enterprises are confronted with high levels of complexity in their strategizing and operations; not only do they have to generate sufficient revenue to re-invest in their business operations, they also have to maintain investment in social projects in their community (Moizer and Tracey 2010).

Therefore, SEs purposefully give priority to a series of managerial behavior and processes that working on achieving great social value as opposed to profitability (Powell et al. 2019).

Social businesses employ social technologies, strategies and processes spanning across their entire enterprise, creating and optimizing collaborative ecosystems of employees, customers, partners, suppliers, communities and stakeholders in a safe and consistent way (Faruk et al. 2016). Social enterprise activities are also often linked to collaboration between the state and the public (Steinerowski and Steinerowska-Streb 2012). Next to operating on the market, SEs are also capable of facilitating the activation of relations of reciprocity, given its multi-stakeholder nature (Borzaga and Depedri 2015), and carrying out a redistribution of resources, allowing access to certain fundamental rights to a greater number of people (Hudon and P'ervilleux 2014). SEs have tended to depend heavily on government grants and donor funding, particularly in the early startup stage (Luke 2016).

Social entrepreneurs hold themselves accountable to themselves and the society for achieving the social mission and use of resources wisely. Business entrepreneurs generally measure their performances in terms of profit and return on investment, but the social entrepreneurs take into account a positive return to society (Faruk et al. 2016). In addition to engaging with stakeholders and allowing them a voice in organizational affairs, SEs are expected to make explicit efforts to be accountable to them. (Paton 2003).

2.1.3 Differences Between Social Enterprises and Other Enterprises

Non-Governmental Organization (NGO), non-profit organizations, voluntary groups, community businesses, and social enterprises all employ social economy activities (Kim and Lim 2017). Social enterprise is a recent concept along with social innovation processes, or social entrepreneurship (Zachary and Mishra 2011). Social enterprise is different from other organizations; it involves social entrepreneurship that concentrates on individual motivation and leadership and has a dual social and economic purpose (Newth 2016).

SEs are characterized as hybrid organizations that mix non-profit and for-profit elements with a social mission, ranging from creating employment for community marginalized groups to environment protection (Leung et al. 2019). Faruk et al. (2016) concluded that SE is distinct from a non-profit enterprise because it's business should aim to make a modest profit but this will be used to expand the company's reach, improve the product or service or in other ways to support its social mission.

Literature on organizational studies, business and management uses the word 'hybrid' to explain the type of organization that has dual or multiple objectives which bridge or straddle the conventional categories of private, public and nonprofit sectors (Battilana and Lee 2014; Reis 1999; Thompson 2002). SEs combine the organizing forms of both business and charity and are therefore seen as an ideal setting to study hybrid organizing (Baporikar 2017; Doherty et al. 2014).

The main difference between the business and the social entrepreneurs is the reason for establishing the venture. While the business entrepreneurs focus on building a business and earning profits, social entrepreneurs' wish to create social change. A business entrepreneur may create changes in the society, but that is not the main goal of the project. The same goes for a social entrepreneur who may generate profits, but that is not the main reason behind starting the business (Baporikar 2017).

NGO is a voluntary, non-profit organization that operates, contributes to various humanitarian projects. They usually collect donations for running programs for disadvantaged or distressed people. The difference is that NGOs operate on donations, whereas a social enterprise is a self-sustaining business (Faruk et al. 2016).

It is important to note that although social enterprises are designed to achieve a given social objective, they differ from other non-profit organizations in two key respects (Pearce 2003). First, they have profit mission and generate a substantial part of their revenue through business activity. Second, they usually have democratic structures (Pearce 2003). The membership normally includes representatives of the community, partner organizations, investors and customers (Faruk et al. 2016).

Social enterprises differ from traditional not-for-profit organizations in their application of business-like models to social issues. (Dart 2004; Hood 1991).

Borza et al. (2009) believed that philanthropic organizations are those that have a great chance to develop social enterprises, because social mission was established in the early stages and the commercial establishment was only a means to facilitate the support of social cause.

According to Stratan (2017), a social enterprise is distinguished from traditional enterprise by:

- i) *Purpose*: SE has a social and/or environmental mission, SE works on profits in order to achieve their missions.

ii) *Impacts*: SE creates social and environmental benefits for communities and people, next to revenue.

2.2 EFFECTS OF SOCIAL ENTERPRISES ON SOCIO-ECONOMIC DEVELOPMENT

Social enterprises are widely acknowledged as delivering positive socio-economic impact to the community (Doherty et al. 2009; Galera and Borzaga 2009) particularly when viewed from an aggregated perspective (Diochon and Anderson 2009).

A social enterprise identifies practical solutions to social problems by combining innovation, resourcefulness and opportunity (Doherty et al. 2014; Leung et al. 2019). The focus of their work is based on enterprise development, health, education, environment, labor conditions and human rights (Baporikar 2017). The practitioners highlight the importance of social enterprise as being the element in societal organization that aims to solve local, national and regional societal problems (Stratan 2017). The emphasis for SEs is to prioritize positive social change above private wealth creation: typical social objectives include reducing poverty, inequality, homelessness, carbon emissions, unemployment and improving social care (Baporikar 2017; Dart 2004; Hall et al. 2016; Murphy and Coombes 2009).

SEs play a very important role in the industrialization and development of an economy (Randerson et al. 2015). Furthermore, SEs constitute the majority of enterprises in developing countries and are considered as one of the most important factors in economic and social growth, employment, local development and poverty reduction (Demirguc-Kunt 2007; Hanafizadeh and Shafiei Nikabadi 2011).

Although social entrepreneurs usually start with small, local efforts, they often target problems that have a local expression but global relevance, such as access to water, promoting small-business creation and waste management (Faruk et al. 2016).

Social entrepreneurship is thus having profound implications in the economic system: creating new industries, validating new business models, and allocating resources to

neglected societal problems (Naude 2008; Sabella et al. 2014; Santos et al 2009). Charity and aid can improve the quality of life and the life chances of the poor by subsidizing interventions education and health care and increasing access to clean water and so forth (Baporikar 2017; Leung et al. 2019).

The social economy in general and social enterprises in particular, is able to operate in different areas of involvement, from the creation of products (Cameron 2009; Leadbeater 1997; Mulgan and Landry 1995), to the management of renewable energy sources (Huybrechts and Mertens 2014).

Some SEs work with women and their specific socio-economic needs (Dees, 1998). Social entrepreneurs devise highly affordable products and services that can be bought by people living on a few dollars a day, and create businesses that can distribute these to poor communities (Faruk et al. 2016; Picciottii 2017).

From the policy making point of view, social enterprises are formed because they address social and environmental problems more efficiently and effectively than the government (Rahdari et al. 2016). SE joins up with the unorganized and marginalized actors, and offers them better conditions, better prices, professional training and basic healthcare.

Sabella et al. (2014) highlighted the relationship between entrepreneurship and economic growth in saying that transforming new ideas into new products, processes, or services would lead to growth of an economy through increased employment and profit generation for innovative enterprises. Social entrepreneurship increasingly plays a major role in the progress of society in the same way that entrepreneurship promotes progress in the economy (Borza et al. 2009). Moreover, it is believed that social enterprises can add to the improved distribution of services, stronger and more resilient communities, and empowered people collaborating with the state in order to achieve social, economic and environmental benefits (Steinerowski and Steinerowska-Streb 2012).

Social enterprise stresses that the main goal of a company or organization is for social purposes, such as providing social services for a low-income group, creating job opportunities for women, and caring for homeless people, juvenile delinquents, and disabled persons (Peattie and Morley, 2008; Zhao and Wry, 2016).

Table 2.1 showcase impact factors of social enterprises on socio-economic development based on the items that have been presented.

Table 2.1: Impact factors of social enterprises on socio-economic development

Impact factor	References
Reduction of poverty	Baporikar (2017); Dart (2004); Demirguc-Kunt (2007); Hall et al. (2016); Hanafizadeh and Shafiei Nikabadi (2011); Murphy and Coombes (2009);
Reduction of unemployment rates	Baporikar (2017); Borza et al. (2009); Dart (2004); Demirguc-Kunt (2007); Hall et al. (2016); Hanafizadeh and Shafiei Nikabadi (2011); Kim and Lim (2017); Murphy and Coombes (2009); Picciottii (2017); Sabella et al. (2014);
Contribution to empowerment of the target group	Baporikar (2017); Dart (2004); Hall et al. (2016); Murphy and Coombes (2009); Steinerowski and Steinerowska-Streb (2012)
Enhancing the health conditions	Baporikar (2017); Leung et al. (2019); Rahdari et al. (2016); Roy and Karna (2015);
Enhancing the economic situation	Borza et al. (2009); Borzaga (2009); Demirguc-Kunt (2007); Diochon and Anderson (2009); Doherty et al. (2009); Faruk et al. (2016); Galera and Hicks (2014); Hanafizadeh and Shafiei Nikabadi (2011); Kim and Lim (2017); Randerson et al. (2015);

Impact factor	References
Enhancing the social situation	Baporikar (2017); Dart (2004); Demirguc-Kunt (2007); Faruk et al. (2016); Hall et al. (2016); Hanafizadeh and Shafiei Nikabadi (2011); Murphy and Coombes (2009); Peattie and Morley (2008); Stratan (2017); Zhao and Wry (2016)
Enhancing the psychosocial conditions	Faruk et al. (2016); Naude (2008); Sabella et al. (2014); Santos et al (2009);
Increasing the food security	Rahdari et al. (2016)
Contribution to capacity building of the target group	Faruk et al. (2016); Maher (2019); Martinez (2005);
Improving the education level	Baporikar (2017); Leung et al. (2019); Rahdari et al. (2016); Roy and Karna (2015);
Development of the industry/ service sector	Borza et al. (2009); Cameron (2009); Kim and Lim (2017); Leadbeater (1997); Mulgan and Landry (1995); Naude (2008); Randerson et al. (2015); Sabella et al. (2014); Santos et al (2009);
Achieving gender equality and empowering women and girls.	Dart (2004); Dees (1998); Hall et al. (2016); Murphy and Coombes (2009); Peattie and Morley (2008); Rahdari et al. (2016); Roy and Karna (2015); Zhao and Wry (2016)
Ensuring availability of water and sanitation services	Baporikar (2017); Faruk et al. (2016); Leung et al. (2019); Rahdari et al. (2016);
Building resilient infrastructure system	Huybrechts and Mertens (2014); Rahdari et al. (2016);

2.3 FUNDING AGENCIES OF SOCIAL ENTERPRISES

SEs are started by nonprofits. The reasons of that are: First enterprises present the opportunity to develop more sustainable sources of funding. In this regard, the income from a commercial business is perceived to be more sustainable than other sources of a nonprofit's revenues. Second, social enterprise may allow a nonprofit to reduce their reliance on donations and other "requested" forms of financial aid. Nonprofits become wary of dependence on donations because of Issues such as donor fatigue and economic recessions. Finally, social enterprises may allow nonprofits to expand their funding stream to include earned income as well as grants and donations (Lazarevski et al. 2008; Smith et al. 2010).

The social enterprises with different funding sources are likely to meet different missions with varying monitoring systems and management practices, in turn affecting their performance (Leung et al. 2019).

Social entrepreneurs appeal to applicable thinking in both the business and nonprofit worlds and operate in all kinds of organizations: large and small; new and old; religious and secular; nonprofit, for-profit, and hybrid (Billitteri 2007; Faruk et al. 2016). Social enterprise can also receive help from philanthropic activities along with traditional methods of attracting financial resources (Borza et al. 2009).

Social enterprise movement usually starts with people passionate about social change which led many governments to support the creation of social enterprises as a legal entity to provide additional support and incentives for social entrepreneurs (Rahdari et al. 2016). SEs have leaned towards heavy dependence on donors and government funding, particularly in the early startup stage (Luke 2016). These government funds aim to achieve specific missions, such as enabling self-reliance among the socially disadvantaged through employment. In addition, some SEs are funded by non-profit organizations and private funds (Jenner 2016; Leung et al. 2019). In more detail, SEs with a specific social mission can help NGOs to achieve their social goals directly. In addition, NGOs may need to generate more sustainable sources of funding by creating a business rather than relying solely on charitable donations (Smith et al. 2012).

Introducing an SE may also negatively affect the possibility of donation and donor intentions. Smith et al. (2012) found that donors are only likely to continue supporting NGOs that engage in SEs when they perceive the SE to have a consistent mission and be entrepreneurially capable.

Battilana and Dorado (2010); Hoffman et al. (2012); Osborne and Brown (2005) stressed the importance of partnership between organizations from government, non-profit and private sectors to provide social welfare and perhaps as a result there has been growth in the number of SEs operating at the intersections of these sectors. In other words, financial enablers are also fundamental for the continuity of the social enterprise's existence (Harding 2007; Yu 2016). There are two basic forms of economic funding. First, external funding includes grants, subsidies, donations and sponsorships. Second, is revenue generation (Okorley and Nkrumah 2012; Harding 2007).

2.4 SUSTAINABILITY OF SOCIAL ENTERPRISES

Triple Bottom Line (TBL) view of sustainability includes social, economic and environmental attributes (Elkington 1997). Thus, it is clear that the social enterprise's ability to generate a positive social impact and to promote conditions of sustainability must involve both the economic and social dimensions and the environmental dimension (Picciotti 2017; Ridley- Duff and Bull 2016). These different forms of sustainability may be defined as follows: "social sustainability is the extent to which a social enterprise realizes its social mission; financial sustainability is the extent to which a social enterprise can meet its operational costs from a combination of grant and traded income, and input from volunteers; and environmental sustainability is the extent to which the social enterprises activities can continue without having a negative impact on the physical environment" (Doyle 2019; Jackson 2011).

With the inclination of both decreasing public funding and rising expectations of the role social enterprise can play in society, the development of sustainable social enterprises becomes an increasingly important issue (Jenner 2016). Gladwin et al. (1995) concluded that sustainable development is the process of achieving human development in an inclusive, connected, equitable, prudent, and secure manner. The

intention of resolving issues with a broad and deep scope. (Picciotti 2017). Long term sustainability one of the main concerns which SE works to secure while SE tries to accomplish its social mission. (Sabella and Eid 2016). Therefore, it is important for SEs to be profitable, sustainable, and competitive (Leung et al. 2019).

Theoretically, it can be said that the essence of the social enterprise lies in the pursuit of conditions of environmental, social and economic sustainability (Picciotti 2017; Wolk 2008). To respond to these issues, an increasing number of SEs have integrated sustainability considerations into their strategic planning processes and have established sustainability policies, plans and programs (Searcy 2016). Achieving the social objective in a financially sustainable way is the first goal of social enterprise (Faruk et al. 2016; Weerawardena and Sullivan Mort 2001).

Any efforts of measuring social enterprise sustainability must clearly reflect all three of these components, as concluded by Doyle (2019); and Searcy (2016):

- i) *Corporate sustainability*: The key areas of emphasis typically include a long-term focus, considering stakeholder needs, promoting inter- and intra-generational equity and addressing the 'triple bottom line'
- ii) *Supply chain sustainability*: from converting raw materials to finished and distribution to customers.
- iii) *Sustainability context*. This concept recommends that organizations should consider their performance in relation to broader concepts of sustainability. This includes considering 'the context of the limits and demands placed on environmental or social resources at the sector, local, regional, or global level.

Factors of improving SEs sustainability vary, however they usually include competitiveness, legitimation and ecological responsibility (Bansal and Roth, 2000). This is accomplished by social networking and institutionalizing social values and principles, which are used in combating many of the social disorders and as a basis for enterprise sustainability (Bagnoli and Megali 2009; Fukuyama 2002; Oberoi 2014).

Everyone has a role in developing sustainable enterprise: volunteers, donors, funding agencies, and community members all provide support and essential services (Kates et al. 2005; Sabella and Eid 2016).

Sharir et al (2009) attempted a comprehensive explanation of social enterprise sustainability wherein organizational resourcing, collaborative networks, legitimacy and organizational capabilities are collectively outlined as the key drivers of social enterprise survival. According to Faruk et al. (2016) social enterprises should follow the following key aspects to improve sustainability:

- i) *Innovation*: creating new ideas and models addressing social or environmental issues.
- ii) *Market orientation*: the performance-driven, competitive, outlook that drives greater accountability and cooperation across sectors.

There are three domains to be considered so that SEs can better address sustainability: competitive strategy, the vision for firm-specific resources and capabilities, institutional theory (García et al. 2018; Lloret 2016; Wojtkowiak 2018). Both social and commercial objectives are present within a social enterprise and this requires a delicate balance in management between resource utilization (in order to build and maintain competitive edge), and engagement with local stakeholders (in order to build and maintain organizational legitimacy). Failure to do would seriously threaten organizational sustainability (Moizer and Tracey 2010).

Some social enterprises have begun to follow differentiated paths of sustainability, involving entry into new fields of intervention, significant investment, and new partnerships with entities of various kinds, such as public, private, profit and non-profit organizations as a result of dropping public resources allocated to welfare services, and increasing level of competitiveness in the market, (Borzaga and Fazzi 2011; Fazzi 2012).

According to Picciotti (2017) social enterprises generate innovation and contexts of sustainability by implementing:

- i) Identifying new needs and citizens' involvement
- ii) Interorganizational relationships and development of new competences
- iii) The welfares for local communities

Ensuring successful sustainability of social enterprises requires: strong leadership, motivation and commitment of management, motivation and commitment of partners, legal and regulatory environment, business model of organization, management expertise and expertise of key people in organization, local community involvement, financial sustainability, ability to innovate, and rational use of resources (Stratan 2017).

Finally, the previous literature highlights a number of important elements related to social enterprise sustainability. Some of which focused on the salience of securing resources (Doherty et al 2014) suggesting a need to combine financial, physical, human and network resources for the social enterprise to succeed (Haugh 2009) while others have focused on factors such as legitimacy (Dacin et al. 2010; Jenner 2016; Townsend and Hart 2008). Several authors in this field (Jenner, 2016; Sharir et al. 2009; Okorley and Nkrumah 2012) suggest that identifying resources, competitive advantage, organizational capabilities and legitimacy are key factors for improving sustainability of social enterprises. The following sections will discuss these factors.

2.5 SUSTAINABILITY FACTORS

2.5.1 Identifying Resources

Organizational resources are the competencies and assets under its control that can be used to create competitive advantage (Eisenhardt 1989). The acquisition of organizational resources is important to the social enterprise sustainability. Recourses enable the enterprise to compete in the marketplace (Sharir et al. 2009). Organizational resources refer to the valuable assets and competencies under an organization's control

that may be strategically marshalled to create competitive advantage (Eisenhardt and Martin 2000). With a mixture of financial, human, physical and network resources, the social enterprise can success and sustain (Jenner 2016). These resources may either be tangible or intangible (Barney 1991) and their acquisition is critical to any firm's long-term success (Katz and Gartner 1988). Thus, identifying the necessary resources to compete in the marketplace is fundamental for social enterprises sustainability (Diochon and Anderson 2009; Hynes 2009; Sharir et al. 2009). Identifying organization resources refers to the needed monetary, human capital, skills and competencies in order for an organization to be run efficiently and successfully (Maher 2019).

Social enterprises seek to make revenue from trading activities. Those trading activities are true contributors to the financial sustainability achievement. They also support the socio-environmental mission of the organization (Eversole et al. 2013). Raising funds from different sources is possible for the social enterprises since they are hybrid organizations (Sharir et al. 2009). Social enterprise sustainability has a dominant issue that is the access to funding (Hines 2005; Mendell and Nogales 2009). This access can be sought by a variety of sources including earned income, philanthropic and government grants, volunteers and donations or from the founding social entrepreneurs themselves (Hynes 2009). That is, social enterprises are often by necessity multi-resource organizations (Doherty et al. 2009; Ridley-Duff and Bull 2011) Nevertheless, earned income through trading activities is a core feature of social enterprises (Barraket et al. 2010). I.e., The social enterprises trading income is to be expanded avoiding relying on grants or development loans (Bull and Crompton 2006; Sunley and Pinch 2012) It is also important to acquire physical resources and this acquisition enables trading activities (Haugh 2009; Hines 2005). The capability of sourcing the appropriate human resources is important as well for social enterprises sustainability (Austin et al. 2006; Dacin et al. 2010). Doyle (2019) concluded that the social enterprise staff performs a central role, which is fulfilling its mission and achieving financial sustainability. Thus, a significant factor in improving sustainability of social enterprises is to employ experienced staff with relevant expertise and skills to their social enterprise activity.

The development of essential skills needed, capacity building program which lead to social enterprise sustainability. These skills include marketing staff, relationship staff and research staff to improve enterprise capability, innovate strategic thinking, and respond to changing (Maher 2019; Roy and Karna 2015). Identifying the necessary resources for carrying out a sustainable business is an important and inevitable issue for any social enterprise (Borza et al. 2009).

2.5.2 Organizational Capabilities

Organizational capabilities refer to the embedded and non-transferable assets that increase the efficiency and effectiveness of resources (Eisenhardt and Martin, 2000). According to Sharir et al. (2009), social enterprise badly need organizational capabilities to be successful and sustainable.

It includes:

- i) Leadership
- ii) Marketing
- iii) Operations
- iv) Planning
- v) Networking

Social enterprises can use its organizational capabilities in terms of opportunity exploitation, resource acquisition and mutual help, community solidarity within the legitimacy boundary for obtaining outputs in terms of services or goods (Zainona 2014). Because nonprofit organizations seek to create social value and do not necessarily require capturing all value created within organizational boundaries, there is tremendous potential for new opportunities and models for collaboration and partnership within the sector (Baporikar 2017).

It is important for SEs to be competitive, sustainable, and profitable. Consequently, SEs need to foster good practices in their operations (Leung et al. 2019). SEs networks are best known for providing critical information, innovation and resources (De Carolis and Saporito 2006). Collaborative partnerships and strategic alliances resulting from

networks are widely recognized as providing resource acquisition and competitive advantage and other significant benefits to SE in general (Das and Teng 1998). Leung et al. (2019) recommended SEs to establish a three-member oversight committee, one from each expert area: sales and marketing, accounting and finance, and related industries.

In the regard of social enterprise success, the relationships and networks of social enterprises are represented as important in this regard. (Dacin et al. 2010; Seelos et al. 2011). The creation of multi-stakeholder collaborative networks being influential in the development and sustainability of social enterprises (Doherty et al., 2009; Neck et al., 2009) offers potentially symbiotic relationships between social enterprises and their community (Meyskens et al. 2010; Seelos et al. 2011). Social ventures access to resources as well as innovative perspectives and income streams from diverse relationships is provided by these networks (Hynes 2009; Meyskens et al. 2010; Seelos et al. 2011). A key role in social enterprise sustainability is being played by the organizational capabilities (Doherty et al. 2014; Eisenhardt and Martin, 2000; Sharir et al. 2009) The social enterprise marketing capabilities have attracted attention. This is by the research view of marketing as an important factor for sustainable SE (Peattie and Morley 2008).

An Australian study found that it is social enterprises that reported higher levels of planning than other enterprises (Barraket et al. 2010; Sharir et al. 2009). Since social enterprises focus upon sustainability improvement, planning is argued to be an important activity for social enterprises becoming more important (Lyon and Fernandez, 2012; Sharir and Lerner 2006). A crucial challenge for the SE sustainability is the development of management expertise (Doherty et al. 2014; Jenner 2016). A frequent emphasis on the training importance and the management skills acquisition has been called for by scholar regarding social enterprise development (Hines 2005; Lyon and Fernandez 2012) with the need to consider a wider scale development of human resources, competencies and SE management skills (Doherty et al. 2014; Hines 2005; Hynes 2009).

The social enterprises managers and leaders tend to have different personal qualities from those of investor-owned businesses (Ridley-Duff and Bull 2016). Humility, professionalism and calmness are values underpinning the former style of leadership (Collins 2001). Indeed, leaders of social enterprises with these qualities contribute to their sustainability (Iloret 2016; Jackson et al. 2018; Roy and Karna 2015). Effective managers of social enterprises require the following attributes: the ability to develop a vision for the organization; the interest and capacity to develop employees and volunteers; a commitment and ability to democracy promotion within their social enterprise, and the capacity to benefit the community which the social enterprise serves (Aziz et al. 2017; Van Dierendonck 2011). It is required by the social enterprises governance structures to find individuals who have potentials of expertise in finance and the social mission realization (Mason and Royce 2008).

Organizational capabilities refer to the organization's ability to manage resources, such as employees, process, information and technology. Accordingly, this management improves sustainability effectively (Maher 2019).

2.5.3 Competitive Advantage

Competitiveness is a concept of multi dimensions creating sustainable competitive advantages that possibly used at the national, industry and firm level (Vilanova et al. 2009). Social enterprises offer different services and products enabling them to face the feared rivalry of other firms threatening the sustainability of social enterprises (Leung et al. 2019). Consequently, it is a must for social enterprises to create a competitive advantage so that they can survive (Jenner 2016).

According to Shaw (2004), competitive advantage can be created by:

- i) Marketing activities that help social enterprise to compete in the market.
- ii) Investing in research, development.
- iii) Investing in high talent employees that drives innovation.
- iv) Increasing and diversifying financial resources.

A strategic vision regarding competitiveness of profitable activities are essential for social enterprises to support social causes in a self-sustainable manner and to enhance the impact on employees, the environment, customers and community (Borza et al. 2009; Nyssens 2006). A special attention to the conditions under which the company may lose or generate value is required for achieving competitive success. Indeed, long-term performance and relationships within the industry and with competitors are portrayed by a company's competitiveness (Lloret 2016; Thompson et al. 2012). Maher (2019) suggested that strong awareness of economic realities operating in a competitive market contributes to the sustainability of social enterprise organizations. Social enterprises are characterized by concepts, planning and competences aimed at sustainable development and social change. The characteristics are manifested with the identification of new market opportunities, the formulation of opportune strategic choices, and the adoption of appropriate organizational configurations (Borzaga and Fazzi 2011; Picciotti 2017). Roy and Karna (2015) pointed that like all other organizations, SE achieves competitive advantage due to the available resources such as reputation and network of the founder, managerial experience and other corporate resources within the firm. Moreover, the innovative usage often generates competitive advantage.

Sustainability of social enterprises need a support such as mentoring; training building shared collaborative networks and capacity building to prepare these organizations to be ready to compete for public services contracts (Maher 2019). When the network becomes operational, another source of competitive advantage for the social enterprise becomes manifest.

It is well known that a competitive advantage depends on the resources and capabilities of the firm. The innovative utilization of resources helps achieve competitive advantage and reinforces the institutional support that the SE firm receives from the environment as well (Roy and Karna 2015).

2.5.4 Legitimacy

Legitimacy represents the bias of organizational actions with the beliefs, norms, expectations of the community (Jenner 2014). If social enterprises figure the values and beliefs of the target groups out regarding suitable social and business conduct, the opportunity to fulfill the needs of the community will be more attainable, and ultimately maintains legitimacy in the public eye (Dart 2004; Sabella and Eid 2016). By legitimacy, competitive advantages are offered to the social enterprises (Jenner 2016). The social value creation takes precedence over the personal shareholder or stakeholder wealth creation (Yunus 2009). Legitimacy responsibilities imply that SE must fulfil their social mission within the legal requirements framework. These responsibilities require that this mission abide by considering gender justice and good governance (Marin et al. 2012 Sarpong and Davies 2014; Townsend and Hart 2008). Social enterprises draw legitimacy from representing potential competitive advantage in the marketplace, which is a social purpose, for these ventures (Dacin et al. 2010; Dart 2004; Jenner 2016; Roy and Karna 2015). Gaining legitimacy often depends on the social enterprise relationships (Meyskens et al. 2010; Sharir et al 2009). Furthermore, organizational structure choice is a chance to develop legitimacy with critically and strategically regarding important resources (Doherty et al. 2014; Jenner 2016). The social enterprises inherent legitimacy is competitive advantage (Dacin et al. 2010; Pringle 2015). Organizational legitimacy upholding from political and social standpoints is viewed as rudimentary as well as the foundation upon which sustainability is achieved (Maher 2019). Sustainable social enterprise needs an interminable interaction with the community in which they operate and explore the target groups values regarding appropriate social and business conditions. This increases the chances to fulfill the needs and expectations of the community, and ultimately maintain legitimacy in the public eye.

Sabella and Eid, 2016.(According to Greenwood (2007), the more the enterprise engages with its community, the more it is responsible and accountable.

Table 2.2 summarized improving sustainability factors of social enterprises according to presented items.

Table 2.2: Factors affecting sustainability improvement of social enterprises

Factor	References
Identifying resources	
The availability of financial and physical resources.	Barraket et al. (2010); Bull and Crompton (2006); Diochon and Anderson (2009); Eisenhardt and Martin (2000); Haugh (2009); Hines (2005); Hynes (2009); Jenner (2016); Maher (2019); Sharir et al. (2009); Sunley and Pinch (2012);
The allocated budget for the social enterprise is enough to achieve the objectives and ensure outcomes quality	Barraket et al. (2010); Bull and Crompton (2006); Eisenhardt and Martin (2000); Hynes (2009); Jenner (2016); Mendell and Nogales (2009); Sharir et al. (2009); Sunley and Pinch (2012);
The social enterprise depends on a variety of funding sources	Borza et al. (2009); Diochon and Anderson (2009); Jenner (2016);
The social enterprise has self-financing sources through profitable activity	Barraket et al. (2010); Bull and Crompton (2006); Eisenhardt and Martin (2000); Hynes (2009); Sharir et al. (2009); Sunley and Pinch (2012);
The social enterprise can operate without external funding	Barraket et al. (2010); Bull and Crompton (2006); Eisenhardt and Martin (2000); Hynes (2009); Sharir et al. (2009); Sunley and Pinch (2012);
International and national donors' support to the social enterprise	Borza et al. (2009); Diochon and Anderson (2009); Hynes (2009); Jenner (2016);
Individuals' support the social enterprise	Borza et al. (2009); Hynes (2009); Jenner (2016); Maher (2019);
The founders provide financial support to the social enterprise	Hynes (2009); Maher (2019); Sharir et al. (2009);
Banks are granting loans for the social enterprise	Hynes (2009); Jenner (2016); Sharir et al. (2009);
The government provides support to the social enterprise	Hynes (2009); Jenner (2016); Sharir et al. (2009);
There is an adequate number of skilled human resources in the social enterprise	Austin et al. (2006); Dacin et al. (2010); Jenner (2016); Maher (2019);
There is a fundraising staff in the social enterprise	Austin et al. (2006); Dacin et al. (2010); Doyle (2019); Eisenhardt and Martin (2000); Maher (2019); Sharir et al. (2009);
There is a public relation staff in the social enterprise	Austin et al. (2006); Dacin et al. (2010); Doyle (2019) ; Jenner (2016); Maher (2019); Roy and Karna (2015)
There is a marketing staff in the social enterprise	Austin et al. (2006); Dacin et al. (2010); Doyle (2019); Jenner (2016); Maher (2019); Roy and Karna (2015)
There is a staff for research and development in the social enterprise	Austin et al. (2006); Dacin et al. (2010); Doyle (2019); Jenner (2016); Maher (2019); Roy and Karna (2015)

Factor	References
Organizational capabilities	
The staff group has appropriate experience, skills and ideas	Aziz et al. (2017); Baporikar (2017); Collins (2001); Doherty et al. (2014); Hines (2005); Hynes (2009); Van Dierendonck (2011);
The social enterprise team has a high level of leadership and managerial competencies	Aziz et al. (2017); Collins (2001); Dacin et al. (2010); Doherty et al. (2014); Hines (2005); Jenner (2016); Leung et al. (2019); Seelos et al. (2011); Sharir et al. (2009); Van Dierendonck (2011);
The social enterprise hires a high skilled marketing team	Collins (2001); Doherty et al. (2014); Hines (2005); Hynes (2009); Leung et al. (2019); Peattie and Morley (2008); Sharir et al. (2009)
The social enterprise builds integrated systems (information, accreditation, accountability, procurement, incentives systems)	Baporikar (2017); De Carolis and Saporito (2006); Leung et al. (2019); Maher (2019); Meyskens et al. (2010); Zainona (2014);
The social enterprise conducts need assessment before preparing budget	Leung et al. (2019); Sharir et al. (2009)
The social enterprise has a budgeting, accounting and reporting systems	De Carolis and Saporito (2006); Leung et al. (2019);
The stakeholders usually participate in the need assessment and planning	Arenas et al. (2013); Baporikar (2017); Dacin et al. (2010); Das and Teng (1998); Doherty et al. (2009); Lyon and Fernandez (2012); Meyskens et al. (2010); Neck et al. (2009); Seelos et al. (2011); Sharir and Lerner (2006); Zainona (2014);
There is an achievable long-term financial plan for the social enterprise	Leung et al. (2019); Lyon and Fernandez (2012); Sharir et al. (2009); Sharir and Lerner (2006);
The social enterprise has a strategic plan	Hynes (2009); Leung et al. (2019); Lyon and Fernandez (2012); Sharir et al. (2009); Sharir and Lerner (2006);
The social enterprise has a monitoring and evaluation plan	Das and Teng (1998); Leung et al. (2019); Lyon and Fernandez (2012); Sharir et al. (2009); Sharir and Lerner (2006);
The social enterprise has a risk management plan	Jenner (2016); Leung et al. (2019); Lyon and Fernandez (2012); Sharir et al. (2009); Sharir and Lerner (2006);
The social enterprise has a sustainability plan	Hynes (2009); Leung et al. (2019); Lyon and Fernandez (2012); Sharir et al. (2009); Sharir and Lerner (2006);
The social enterprise has a communication plan	Doherty et al. (2009); Leung et al. (2019); Lyon and Fernandez (2012); Neck et al. (2009); Sharir et al. (2009); Sharir and Lerner (2006);
The social enterprise has a fundraising plan	Leung et al. (2019); Lyon and Fernandez (2012); Sharir et al. (2009); Sharir and Lerner (2006);
The social enterprise has a good relationship with donors which facilitates the process of having external fund	Arenas et al. (2013); Baporikar (2017); Dacin et al. (2010); Das and Teng (1998); De Carolis and Saporito (2006); Doherty et al. (2009); Neck et al. (2009); Seelos et al. (2011); Sharir et al. (2009)

Factor	References
Competitive advantage	
The social enterprise has competitors in mainstream market	Jenner (2016); Leung et al. (2019); Lloret (2016); Shaw (2004); Thompson et al. (2012);
The social enterprise can compete with other social enterprises	Jenner (2016); Lloret (2016); Thompson et al. (2012);
The social enterprise can compete with other private companies	Jenner (2016); Lloret (2016); Thompson et al. (2012);
The social enterprise has talented personnel which enables it to compete	Maher (2019); Roy and Karna (2015); Shaw (2004);
The social enterprise has sufficient financial resources to compete	Borza et al. (2009); Nyssens (2006); Roy and Karna (2015); Shaw (2004);
The purpose of social change is a competitive advantage to products/services	Borza et al. (2009); Leung et al. (2019); Maher (2019); Nyssens (2006);
The social enterprise is innovative and oriented towards managing change	Borzaga and Fazzi (2011); Lloret (2016); Maher (2019); Picciotti (2017); Roy and Karna (2015); Thompson et al. (2012);
The social enterprise resources and efforts focus on quality as a competitive advantage	Lloret (2016); Roy and Karna (2015); Shaw (2004); Thompson et al. (2012);
The social enterprise resources and efforts focus on price as a competitive advantage	Picciotti (2017); Roy and Karna (2015); Shaw (2004);
The social enterprise resources and efforts focus on quantity as a competitive advantage	Picciotti (2017); Roy and Karna (2015); Shaw (2004);
The social enterprise focuses on the development of new products/ services	Borzaga and Fazzi (2011); Leung et al. (2019); Lloret (2016); Maher (2019); Picciotti (2017); Sharir and Lerner (2006); Thompson et al. (2012); Vidal (2006);
Legitimacy	
The mission of the social enterprise addresses a social goal	Dart (2004); Jenner (2014); Maher (2019); Sabella and Eid (2016); Yunus (2009);
The social enterprise fits well within community values, norms, beliefs and social and cultural factors	Dart (2004); Jenner (2014); Polanyi (2001); Sabella and Eid (2012); Suchman (1995);
The social legitimacy is a big opportunity for competitive advantage.	Dacin et al. (2010); Dart (2004); Jenner (2016); Pringle (2015); Roy and Karna (2015);
The social enterprise has excellent reputation and relationship with the community, clients, businesses and other stakeholders	Dart (2004); Greenwood (2007); Jenner (2014); Meyskens et al. (2010); Sabella and Eid (2016); Sharir et al. (2009); Yunus (2009);
The social enterprise has a net positive affect on the target group	Greenwood (2007); Maher (2019); Polanyi (2001); Sabella and Eid (2016); Suchman (1995); Yunus (2009);
The strategic objectives of the social enterprise are compatible with the needs and priorities at the national level	Dart (2004); Greenwood (2007); Jenner (2014); Sabella and Eid (2012);
The social enterprise considers issues related to gender justice and good governance	Marin et al. (2012); Sarpong and Davies (2014); Townsend and Hart (2008);

2.6 CHALLENGES THAT SOCIAL ENTERPRISES SUSTAINABILITY FACES

Inside and outside observers of the sector social problems were addressed insufficiently by conventional social approaches (Oster 2004).

Baporikar (2017) concluded that the main barriers of social enterprises sustainability are: their impact remains constrained, their service area stays confined to a local population, and their scope is determined by whatever resources they are able to attract. Social enterprises, with their limited capacity for offering financial incentives, often pay below-market rates and rely heavily on volunteer labor.* Social entrepreneurs often must reduce their reliance on financial rewards and incentives yet more on intrinsic motivators and creative strategies for attracting, motivating, and retaining staff (Austin et al 2006; Dacin et al 2010; Yunus 2009). Additionally, conveying the business idea, working remotely, getting the funds, government approval, competition from others, acquiring technologies, promoting awareness and getting skilled workers are other challenges facing the entrepreneurs (Baporikar 2017). Acquiring physical assets enables trading activities; this acquisition is significant, therefore. Most often, social enterprises are reliant upon volunteer labor. Access to volunteers is viewed as a strength of the field; however, this does not represent a secure long-term strategy for the sector (Doherty et al. 2014; Hynes 2009; Peattie and Morley 2008). A fundamental challenge for social enterprises is securing the necessary resources to operate and compete in the marketplace (Hynes 2009; Sharir et al. 2009). Indeed, it is the view of Chan et al. (2017) that the majority of social enterprises will never gain financial sustainability due to their combination of activities and their location in disadvantaged communities.

According to Brook Lyndhurst (2007) another possible social enterprise challenge is the lack of developing management processes and therefore the lack of consistency in the quality of products. Moreover, this can be further compounded by social enterprises having insufficient resources to employ a management team to increase the size of the business (Burkett 2010; Doyle 2019). Accessing proper financial resources is a significant social enterprises challenge for achieving financial sustainability (Doyle 2019). Besides that, the short-term nature of the government funding available to social enterprise makes it difficult to make decisions in advance about services development

and to put a contingency plan in operation to help them survive in the upcoming hard times (Maher 2019).

The influencing factors of the development of social enterprise sustainability are concerned with government policy, local-agencies generated problems to grab illegal money for approving the business site, political instability and the political preferences, lack of governmental financial support, complex government bureaucracy, people's perception towards social business initiative, lack of knowledge and experience of the entrepreneurs, and lack of support of incubator organizations (Faruk et al. 2016; Roy and Karna 2015).

Resource scarcity conditions pose severe challenges threatening the long-term sustainability of the enterprise (Moizer and Tracey 2010). The absence of adequate public policies, complex regulations and long and cumbersome administrative processes raise the possibility of the SE initiatives slowdown (Borza et al. 2009; Picciotti 2017; Powell et al. 2019). Social enterprises encounter a greater number of challenges than investor-owned businesses. The challenges include employing lower skilled staff; staff acquiring new skills; the proportion challenging behavior of staff that were formerly unemployed, and the funders requirements (Doyle 2019). Financial restrictions affecting the SEs' capacity to meet the social needs result in many difficulties (Borza et al. 2009; Yu 2016). Rydin and Holman (2004) pointed out the barriers to sustainable development in social enterprises which are: a lack of participation, will, cooperation, and resources, as well as conflict over the definition of the concept. Due to the frequent difficult happenings, Palestinian entrepreneurs have various social, political and economic encounters (Sabella et al. 2014). A study by Elmuti et al. (2011) focusing on Palestinian entrepreneurs highlighted that determining the success or failure of an entrepreneurial venture has a key factor which was "personality". The study also showed that, compared with forces found in the external environment, individual qualities, particularly soft skills and temperament, are possibly more influential. Another study by Sabri (2008) argued that if Palestinians entrepreneurs were given an enabling environment, they would perform better.

Table 2.3 summarized challenges that social enterprises sustainability faces according to items that have been presented.

Table 2.3: Challenges that social enterprises sustainability faces with

Challenge	References
Being a hybrid organization while making profit and social change in the same time is a challenge	Baporikar (2017); Hockerts (2015); Leung et al. (2019); Santos et al. (2015);
Operational costs	Austin et al. (2006); Borza et al. (2009); Dacin et al. (2010); Doyle (2019); Yu (2016); Yunus (2009)
Cost recovery	Austin et al. (2006); Baporikar (2017); Borza et al. (2009); Dacin et al. (2010); Doyle (2019); Yu (2016); Yunus (2009)
Accessibility to different kind of funding	Baporikar (2017); Doyle (2019); Faruk et al. (2016); Hockerts (2015); Leung et al. (2019); Roy and Karna (2015); Santos et al. (2015); Yu (2016)
The absence of government support	Baporikar (2017); Clarkson (1995); Faruk et al. (2016); Maher (2019); Roy and Karna (2015)
The culture of fear and failure	Baporikar (2017); Faruk et al. (2016); Hockerts (2015); Leung et al. (2019); Roy and Karna (2015); Santos et al. (2015);
Marketing challenges	Austin et al. (2006); Baporikar (2017); Dacin et al. (2010); Hynes (2009); Sharir et al. (2009); Yunus (2009);
The private companies, as competitors pose a threat to existence of the social enterprises	Baporikar (2017); Faruk et al. (2016); Maher (2019); Roy and Karna (2015)
The absence of a legal status of the social enterprise	Baporikar (2017); Borza et al. (2009); Clarkson (1995); Faruk et al. (2016); Maher (2019); Picciotti (2017); Powell et al. (2019); Roy and Karna (2015)
The poor planning in the social enterprise	Brook Lyndhurst (2007); Burkett (2010); Doherty et al. (2014); Doyle (2019); Haugh (2009); Hines (2005); Hynes (2009); Maher (2019); Oster (2004); Peattie and Morley (2008)
The poor ability to create a competitive advantage for the social enterprise	Baporikar (2017); Chan et al. (2017); Moizer and Tracey (2010); Rydin and Holman (2004)
The large number of the target group is not compatible with the available fund amount in the social enterprise	Baporikar (2017); Haugh (2009); Hines (2005); Oster (2004)
The poor commitment of the target group negatively effects in a long-term social change	Baporikar (2017); Chan et al. (2017); Oster (2004)
The target group needs comprehensive intervention with large budget	Austin et al. (2006); Baporikar (2017); Chan et al. (2017); Dacin et al. (2010); Doyle (2019); Yunus (2009)
The target group suffers from bad economic situation; thus, it cannot pay a part of the cost of provided services/products	Baporikar (2017); Chan et al. (2017); Oster (2004)

2.7 SOCIAL ENTERPRISES IN GAZA STRIP

The Gaza Strip is in south of Palestine with 5 geographical Governorates, stretching along the southeast corner of the Mediterranean. It borders with Egypt on the southwest as shown in Figure 2.1. It is about 41 km long, the narrowest width is 6 km and the widest is 12 km wide, with a total area of 365 km². It lies on Longitude 34°26' east and Latitude 31° 10' north of the equator. The population of Gaza Strip is 2.09 million according to the last census of the Palestinian Central Bureau of Statistics from April 1, 2018. The average population density is 4986 people per square kilometers, while in the camps; the density can rise to as high as 100,000 people per square kilometers. (Nassar, Alsadi, 2019).

Figure 2.1: Location of Gaza Strip



Source: <https://www.ar.wikipedia.org/wiki/file>

In the Gaza Strip, sustainable social enterprises are necessary to solve the central problem of Palestinians survival.

In other words, looking for ways to flourishingly survive in a land characterized by lack of access to resources, harsh economic conditions and dim political situation (Palestinian Central Bureau of Statistics 2011). The economy of Gaza Strip is indeed a developing one with its roots in agriculture and fisheries, services sector, and construction. Thanks to the consistent foreign aid, the Gaza's economy grew. (Sabella et al. 2014). The ongoing occupation has resulted in the continuous operation much below potential with unemployment stubbornly remaining high, hovering around 26% in 2015, and poverty and food insecurity posing a serious threat on the Palestinian economy. Therefore, the social enterprises in Gaza Strip of started to be important. There is a necessity to establish sustainable social enterprises and hopefully help in solving the central problem of Palestinians survival. Social enterprise is essential to solving the crisis and disaster recovery process, to the building of flexibility by providing communities with necessary services and goods (Sabella and Eid 2016).

This research aims to contribute at mainly fighting economics and social disorders, developing countries, highlight the role of social enterprises, and of course strengthening the literature on sustainable social enterprises.

3. METHODOLOGY

3.1 SCOPE OF THE RESEARCH

This research is conducted among Gaza social enterprises to understand the sustainability of Gaza social enterprises and identify basic factors that improve social enterprises sustainability.

3.2 OBJECTIVE OF THE RESEARCH

The main objective of the research is to provide better understanding of Gaza social enterprises sustainability. There are seven other objectives that are set in this research:

- i) Providing theoretical platform for understanding the social enterprises and sustainability.
- ii) Exploring the role of social enterprises in the Gaza Strip.
- iii) Investigating the sustainability level of the social enterprise in the Gaza Strip.
- iv) Identifying the SEs impact in the Gaza Strip.
- v) Addressing the challenges that the social enterprises in the Gaza Strip face to maintain sustainability.
- vi) Investigating funding agencies support for Gaza SEs.
- vii) Drawing conclusions and providing recommendations that can help to improve Gaza SEs sustainability.

3.3 RESEARCH PROBLEM

The sustainability is the main challenge for the social enterprises, and the factors that support the sustainability are very important to be studied, so this research discussed the following:

To what extent do identifying resourcing, organizational capabilities, competitive advantage, and legitimacy effect the social enterprise sustainability?

Also, the research answered a set of sub-questions including:

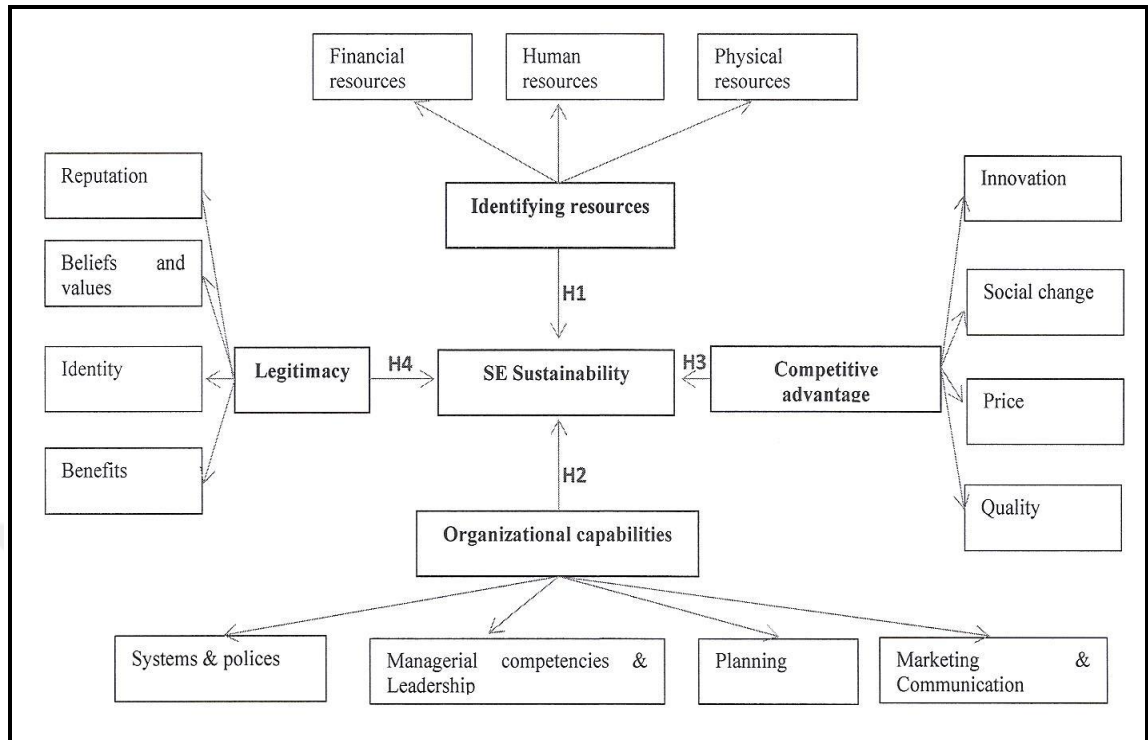
- i) What does the social enterprise mean?
- ii) What is the impact of social enterprises on the socio-economic development in Gaza strip?
- iii) What is the role of funding agencies in keeping the sustainability of social enterprises in Gaza strip?
- iv) What are the main challenges that the social enterprises in Gaza strip face with?

3.4 RESEARCH HYPOTHESES

Four hypotheses were developed in this research to study the relation between the dependent variable which is SE sustainability and four independent variables including identifying resourcing, organizational capabilities, competitive advantage, and legitimacy. Figure 3.1 presented the following hypotheses:

- i) H1: There is a relationship between social enterprise sustainability in the Gaza strip and identifying resourcing with the significance level of $\alpha= 0.05$.
- ii) H2: There is a relationship between social enterprise sustainability in the Gaza strip and organizational capabilities with the significance level of $\alpha= 0.05$.
- iii) H3: There is a relationship between social enterprise sustainability in Gaza strip and competitive advantage with the significance level of $\alpha= 0.05$.
- iv) H4: There is a relationship between social enterprise sustainability in the Gaza strip and legitimacy with the significance level of $\alpha= 0.05$.

Figure 3.1: Research model, source



Source: Researcher, 2019.

3.5 IMPORTANCE OF THE RESEARCH

The managerial level:

Economic and social values both are created and found by SEs that benefit local societies, society and economic development. Taking advantage of SEs and their sustainable effects is one of the great benefits to the community and its social development. Therefore, findings and facts of this research will provide insights and policy suggestions and guidelines to the relevant authorities, policymakers, funding decision makers and other stakeholders, who are working on enhancing the SEs sustainability in order to encourage further, and funding their development.

The findings of this research give and provide visions for SEs, who want to develop better business planning, budgeting, and forecasting pursuing competitiveness and sustainability. Besides, the research provides a set of conclusions and recommendations helping to improve social enterprises sustainability in Gaza strip.

The academic level:

The research will be a reference for others who are doing researches about sustainability and SEs in the world generally and in the Gaza strip in particular.

3.6 RESEARCH METHODOLOGY

The descriptive analytical method was used to understand sustainability of Gaza SEs and identify basic factors which improve its sustainability.

3.6.1 Data Sources

The secondary data: were collected from books, journals, and formal reports.

The primary data: different tools were used to collect the primary data including:

- a) Questionnaires
- b) Semi-structured interviews
- c) IRADA Case

3.6.2 Data Collection

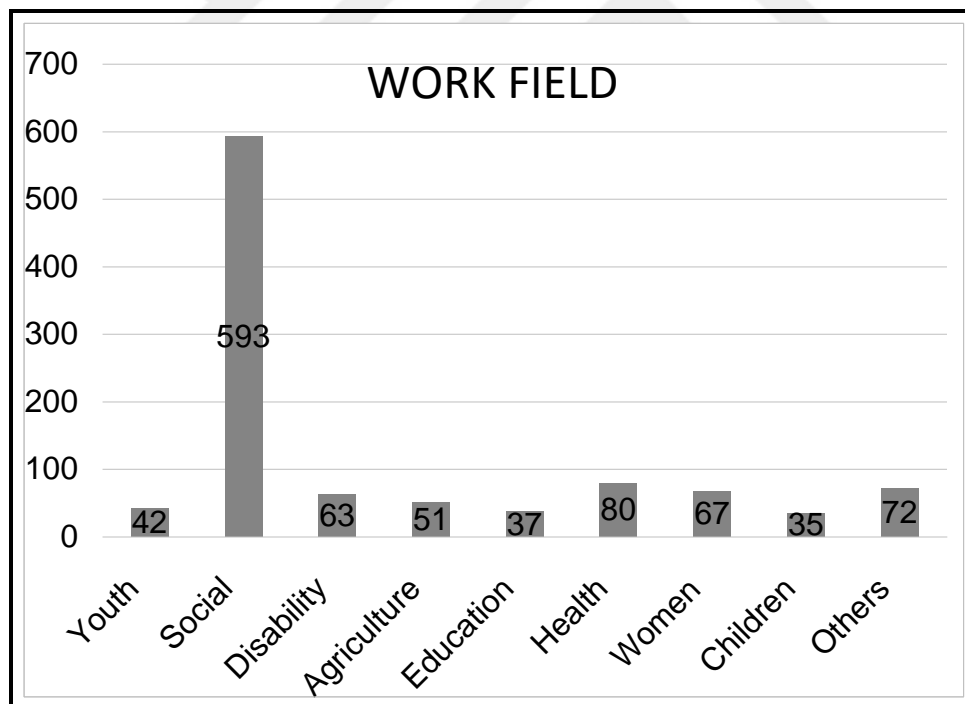
3.6.2.1 First tool of the research: Questionnaire

Based on the literature review and reading of what other researchers did, the questionnaire was developed. The researcher updated and modified the information to develop a questionnaire to help in collecting the needed data for the research. 130 questionnaires were distributed, and 117 ones were collected from respondents.

3.6.2.1.1 Population and sample size

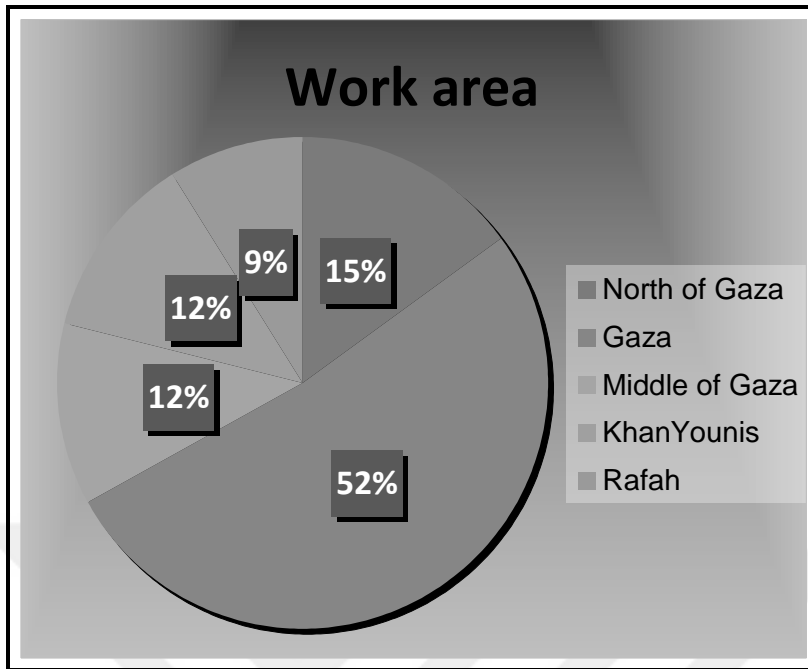
In the current research, the population consisted of social enterprises in the Gaza strip run by the NGOs Group in the Gaza strip, the number of NGOs in Gaza strip is 1040 NGO according to the Palestinian Ministry of Interior report, and 140 of them established a social enterprise according to the NGOs Group.

Figure 3.2: Distribution of NGOs based on work field



Source: Palestinian Ministry of Interior, 2019.

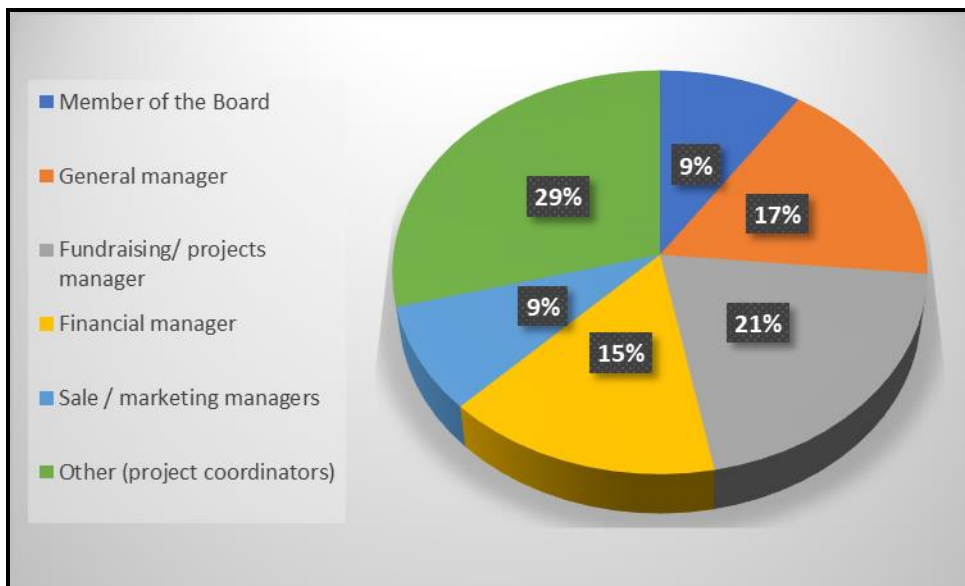
Figure 3.3: Distribution of NGOs based on work area, source



Source: Palestinian Ministry of Interior, 2019.

(117) Gaza SEs are the respondent's sample in this research. Figure 3.4 represents the distribution of the sample according to the positions.

Figure 3.4: Distribution of SEs respondents sample based on position



3.6.2.1.2 Questionnaire procedures and design

- a) The review of the literature and questionnaires that were prepared by other researchers was done; then modifications were applied in order to make the questionnaire suitable for collecting the required data for this research.
- b) Reviewing questionnaire by the research's supervisor.
- c) Modifying the questionnaire to have the final version.

Researcher firstly designs the questionnaire in English language (appendix 1), in order to be reviewed. Then an Arabic version was developed which was distributed to be filled by the sample. The researcher in both copies depends on a clear and simple language.


The questionnaire composed of the following five sections:

- a) Section one: gather the personal information.
- b) Section two: gather information about the social enterprise.
- c) Section three: consist of four fields used to assess the relationship between the research independent variables (identifying resources, organizational capabilities, competitive advantage, and legitimacy) and sustainability.
- d) Section four: study the Gaza SEs impact.
- e) Section five: study the main challenges for the Gaza SEs sustainability.

3.6.2.1.3 Data measurement

Table 3.1 represents the selected measurement scale used in the questionnaire, where it is scaled from 1-10, and 1 means strongly disagree, while 10 means strongly agree.

Table 3.1: Measurement Scale

Item	<i>Strongly Disagree</i>									<i>Strongly agree</i>
Scale	1	2	3	4	5	6	7	8	9	10

3.6.2.1.4 Pilot study

Thirty four questionnaires were distributed as a pilot and a trial run before distributing for the whole sample.

3.6.2.1.5 Validity of the questionnaire

Table 3.2 represents CC for every item of "Identifying resources" and the whole field. The p-values (Sig.) ≤ 0.05 , correlation coefficients of this field are significant at $\alpha = 0.05$, that means all the items are consistent and valid.

Table 3.2: CC of every item of “Identifying Resources” and the whole field

No.	Item	Pearson CC	P-Value (Sig.)
1.	The social enterprise annual budget is adequate to achieve the objectives and ensure sustainability	.440*	0.005
2.	The social enterprise has self-financing sources to increase the sustainability	.620*	0.000
3.	The social enterprise can operate without external funding	.501*	0.001
4.	International and national donors support the social enterprise	.537*	0.001
5.	Individuals support our social enterprise	.493*	0.002
6.	The mother organization allocates an annual budget for the social enterprise	.638*	0.000
7.	The government provides support to the social enterprise	.562*	0.000
8.	There is an adequate number of skilled human resources in the social enterprise	.390*	0.011
9.	There are sufficient physical resources in the social enterprise which are needed for implementing the activities	.366*	0.017

* Correlation is significant at the 0.05 level

Table 3.3 represents the CC for every item of "Organizational capabilities" and the whole field. The p-values (Sig.) ≤ 0.05 , correlation coefficients of this field are significant at $\alpha = 0.05$, that means all the items are consistent and valid.

Table 3.3: CC of every item of “Organizational Capabilities” and the whole field

No.	Item	Pearson CC	P-Value (Sig.)
1.	Organizational capabilities are important for SEs success and sustainability	.445*	0.004
2.	A qualified staff with an appropriate experience work in the social enterprise	.598*	0.000
3.	The development of human resources, competencies and skills is given a high priority in the social enterprise	.411*	0.008
4.	The social enterprise team has a high level of leadership and managerial competencies	.469*	0.003
5.	There is a fundraising staff in the social enterprise	.404*	0.009
6.	There is a marketing staff in the social enterprise	.590*	0.000
7.	The social enterprise has systems	.614*	0.000
8.	The social enterprise team makes needs assessment before preparing budget	.626*	0.000
9.	The social enterprise has a strategic plan	.788*	0.000
10.	The social enterprise has a monitoring and evaluation plan	.806*	0.000
11.	The social enterprise has a risk management plan	.780*	0.000
12.	The social enterprise has a sustainability plan	.759*	0.000
13.	The social enterprise has a marketing plan	.793*	0.000
14.	The social enterprise has a good relationship with donors	.782*	0.000

* Correlation is significant at the 0.05 level

Table 3.4 represents the CC for every item of “Competitive advantage” and the whole field. The p-values (Sig.) ≤ 0.05 , correlation coefficients of this field are significant at $\alpha = 0.05$, that means all the items are consistent and valid.

Table 3.4: CC of every item of “Competitive Advantage” and the whole field

No.	Item	Pearson CC	P-Value (Sig.)
1.	The competitive advantage is a key factor that increases the social enterprise success and sustainability	.586*	0.000
2.	The social enterprise can compete with other social enterprises and private companies	.757*	0.000
3.	The social enterprise has sufficient financial resources to compete	.801*	0.000
4.	The social change mission is a competitive advantage to the social enterprise	.781*	0.000
5.	The team makes market needs assessment and analysis to create competitive advantage	.763*	0.000
6.	The social enterprise is focused on quality as a competitive advantage	.794*	0.000
7.	The social enterprise is focused on price as a competitive advantage	.814*	0.000
8.	The social enterprise is focused on innovation as a competitive advantage	.774*	0.000
9.	A research & development team is available in the SEs and helps in achieving the competitive advantage	.762*	0.000

* Correlation is significant at the 0.05 level

Table 3.5 represents the CC for every item of “Legitimacy” and the whole field. The p-values (Sig.) ≤ 0.05 , correlation coefficients of this field are significant at $\alpha = 0.05$, that means all the items are consistent and valid.

Table 3.5: CC of every item of “Legitimacy” and the whole field

No.	Item	Pearson CC	P-Value (Sig.)
1.	Legitimacy is an important factor of the social enterprise sustainability	.642*	0.000
2.	The mission of the social enterprise addresses a social goal	.879*	0.000
3.	The social enterprise fits well within community values, norms, beliefs, and social and cultural factors	.845*	0.000
4.	The social legitimacy contributes to creating a competitive advantage	.895*	0.000
5.	The social enterprise has excellent reputation and relationship with stakeholders	.841*	0.000
6.	The SEs effect target group positively	.855*	0.000
7.	The strategic objectives of the social enterprise are compatible with the national priorities	.811*	0.000
8.	The social enterprise considers issues related to gender justice and good governance	.804*	0.000

* Correlation is significant at the 0.05 level

Table 3.6 represents the CC for each item of "Social enterprise sustainability" and the whole field. The p-values (Sig.) ≤ 0.05 , correlation coefficients of this field are significant at $\alpha = 0.05$, that means all the items are consistent and valid.

Table 3.6: CC of every item of “Social Enterprise Sustainability” and the whole field

No.	Item	Pearson CC	P-Value (Sig.)
1.	The social enterprise contributes to poverty and unemployment reduction among the vulnerable group	.748*	0.000
2.	The social enterprise contributes to empowering the vulnerable group	.900*	0.000
3.	The social enterprise contributes to enhancing the health conditions of the vulnerable group	.725*	0.000
4.	The social enterprise contributes to enhancing the social situation of the vulnerable group	.872*	0.000
5.	The social enterprise contributes to enhancing the psychosocial conditions of the vulnerable group	.834*	0.000
6.	The social enterprise contributes to increasing the food security among the vulnerable group	.795*	0.000
7.	The social enterprise contributes to capacity building among the vulnerable group	.867*	0.000
8.	The social enterprise contributes to increasing the education level of the vulnerable group	.863*	0.000
9.	The social enterprise contributes to the development of the industry/ service sector	.840*	0.000

* Correlation is significant at the 0.05 level

Table 3.7 presents the CC for every item of "The main challenges for SEs sustainability" and the whole field. The p-values (Sig.) ≤ 0.05 , correlation coefficients of this field are significant at $\alpha = 0.05$, that means all the items are consistent and valid.

Table 3.7: CC of every item of “The Main Challenges for SEs Sustainability” and the whole field

No.	Item	Pearson CC	P-Value (Sig.)
1.	Operational costs consider a big challenge	.720*	0.000
2.	Inability to recover the cost from the vulnerable group	.765*	0.000
3.	The poor accessibility to different kind of funding	.715*	0.000
4.	The absence of the government support	.504*	0.001
5.	The culture of "fear of failure" is a barrier for growth and development	.685*	0.000
6.	Poor marketing for the social enterprises	.441*	0.005
7.	The private sector threatens SEs existence	.359*	0.019
8.	The absence of the legal frame for the social enterprise	.637*	0.000
9.	The poor planning in the social enterprise	.575*	0.000
10.	The poor ability to create a competitive advantage for the social enterprise	.421*	0.007
11.	The large number of the target group which is not compatible with the available fund amount	.302*	0.041
12.	The culture and personality of the target group effects the long-term social change	.734*	0.000

* Correlation is significant at the 0.05 level

Structure validity

Table 3.8 represents the CC for every field and total questionnaire. The p-values (Sig.) ≤ 0.05 , so the correlation coefficients of all the fields are significant at $\alpha = 0.05$, which means that fields are valid to be measured.

Table 3.8: CC of every field and the whole of questionnaire

No.	Field	Pearson CC	P-Value (Sig.)
1.	Identifying resources	.660*	0.000
2.	Organizational capabilities	.909*	0.000
3.	Competitive advantage	.900*	0.000
4.	Legitimacy	.740*	0.000
	The four independent variables	.917*	0.000
	Social enterprise sustainability	.711*	0.000
	The main challenges for the sustainability of social enterprise	.592*	0.000

* Correlation is significant at the 0.05 level

3.6.2.1.6 Research reliability

Cronbach's coefficient alpha value is normally between 0.0 and + 1.0, the higher values mean a higher level of internal consistency.

Table 3.9: Cronbach's Alpha for every field

No.	Field	Cronbach's Alpha
1.	Identifying resources	0.700
2.	Organizational capabilities	0.894
3.	Competitive advantage	0.901
4.	Legitimacy	0.923
	The four independent variables	0.939
	Social enterprise sustainability	0.932
	The main challenges for the sustainability of social enterprise	0.823

No.	Field	Cronbach's Alpha
	All items of the questionnaire	0.940

Table 3.9 shows the values of Cronbach's Alpha for every field of the questionnaire and the entire questionnaire. For the fields values of Cronbach's Alpha were in the range of 0.700 and 0.939. This range is considered as a high; the result ensures the reliability of each field of the questionnaire. Cronbach's Alpha equals 0.940 for the entire questionnaire which indicates an excellent reliability of the entire questionnaire.

Therefore, it can be said that the researcher proved that the questionnaire was valid, reliable and ready for distribution for the population sample.

Test of normality

Table 3.10 shows that the results for Kolmogorov-Smirnov test are normal.

Table 3.10: Kolmogorov-Smirnov test

Field	Kolmogorov-Smirnov	
	Statistic	P-value
Identifying resources	0.964	0.315
Organizational capabilities	0.987	0.951
Competitive advantage	0.985	0.914
Legitimacy	0.903	0.005
The four independent variables	0.964	0.318
Social enterprise sustainability	0.953	0.148
The main challenges for the sustainability of social enterprise	0.973	0.534
All items of the questionnaire	0.963	0.288

Statistical analysis tools

The researcher used data analysis both qualitative and quantitative data analysis methods. The Data analysis made utilizing (SPSS 26). The researcher utilizes the following statistical tools:

- a) Kolmogorov-Smirnov test of normality.
- b) Pearson correlation coefficient for validity.
- c) Cronbach's Alpha for reliability statistics.
- d) Frequency and descriptive analysis.
- e) One-sample T test.

3.6.2.2 Second Step of the Research- Semi-Structured Interviews

(8) Interviews were conducted to discuss the impact of social enterprise in the Gaza strip and the sustainability challenges from the perspective of government and international organizations. Six out of eight interviewees represented international organizations that support the Gaza strip including United Nations Development Program (UNDP), The Belgian Development Agency (Enable), Alkhair Foundation, Gift of the Givers Foundation, Al-Hayat Yolu, and Local Employment and TVET Council; the other interviewees represented the Palestinian Ministry of Social Development and the Palestinian Ministry of Economics.

Interviewed organizations were approached via WhatsApp application, face to face, and skype video call and the duration of the interviews were between 15 and 30 minutes. The interviews form enclosed in the research as appendix 2 and 3.

The data analysis starts with the researcher reading all the collected data in order to gain a general view and highlighting important sentences to capture key concepts. This process revealed four main outlines: the concept of SE in the Gaza strip, the role of international organization in supporting social enterprises, impact of SE, and sustainability challenges. Finally, the gathered data was compared with the findings of the first step of this research.

3.6.2.3 Third Step of the Research: IRADA Case

IRADA is a social enterprise that was selected to discuss the impact of SEs from the beneficiaries' perspective. The social enterprise IRADA is located at the Islamic University of Gaza and it is a vocational training center targeting people with disabilities.

Many tools were used to collect the data including:

- a) Focus groups: (3) focus groups were organized, where (45) people with disabilities, who graduated in 2019, participated. They were asked to evaluate IRADA intervention and the impact using the form enclosed as appendix 4. Then the gathered data that were transferred into percentage helped to evaluate the impact of IRADA project.
- b) Interviews with (4) beneficiaries who had successful stories and graduated in 2019 from IRADA were conducted. The interviews' questions are in appendix 5. The interview period was 5- 10 minutes via WhatsApp.
- c) Reviewing the annual reports, 2015 previous tracer study, and financial reports to get clear background about IRADA interventions.

The gathered data was compared with the findings of the first and second steps of this research.

4. FINDINGS

4.1 FINDING OF THE FIRST TOOL OF THE RESEARCH - QUESTIONNAIRE

After analyzing the filled questionnaires from (117) respondents, the following findings were out.

4.1.1 Personal Information

Table 4.1 represents the respondents' distribution based on gender where males are 71.8 % and females are 28.2 %. During the distribution of the questionnaire, the researcher did not give any preferences to gender, however gender inequality in social enterprise in the Gaza strip led to this difference.

Regarding the age, the results show that 22.2% of the respondents are below 30 years, 48.7% are between 30 to 39 years, 19.7% are between 40 to 49 years, the other 9.4% are more than 50 years.

Regarding the education level, the results show that 0.9% of the respondents have "Secondary or below" education, 7.7% have "Diploma" degree, 69.2% have "Bachelors" degree, and 22.2% have "Masters" degree.

Regarding the years of experience, 13.7% of respondents have less than 5 years, 40.2% have experience between 5 and 10 years, the other 46.2% have experience exceeding 10 years.

Regarding the position, the results show that 9.4% of respondents are "Members of the Board", 17.1% are "General managers", 20.5% are "Fundraising/projects managers", 15.4% are "Financial managers", 8.5% are "Sale/marketing managers", the other 29.1% are "project coordinators".

Table 4.1: Personal information

Personal information		Frequency	Percent
Sex	Female	33	28.2
	Male	84	71.8
Age	Less than 30 Year	26	22.2
	30- less than 40 year	57	48.7
	40-less than 50 year	23	19.7
	50 year and more	11	9.4
Education	Secondary or below	1	0.9
	Diploma	9	7.7
	Bachelors	81	69.2
	Master	26	22.2
	Doctorates	-	-
Experience year	Less than 5 years	16	13.7
	5- 10 years	47	40.2
	More than 10 years	54	46.2
Position	Members of the Board	11	9.4
	General managers	20	17.1
	Fundraising/projects managers	24	20.5
	Financial managers	18	15.4
	Sale/marketing managers	10	8.5
	Other (project coordinators)	34	29.1

4.1.2 Background of the Social Enterprise

Table 4.2 represents SEs characteristics which were targeted in the sample. The results show that 61.5% of the sample is licensed enterprises, while 38.5% has no license.

77.8% of the sample is registered as Non-Profit organization, while 11.1% of the sample is registered as Non-Profit firm, and 4.3% is registered as Profit firm.

Regarding the years of experience of the social enterprises in the sample, 5.1% of the SEs have experience below 3 years, 7.7% have experience between 3 to 5 years, 15.4% have experience between 6 and 9 years, the other 71.8% have experience 10 or more than 10 years.

Results also represent that 22.2% of the sample is located in the North of Gaza, 37.6% is in "The Gaza", 12% is in "The middle Area", 17.1% is in "Khan Younis" and 11.1% is in "Rafah".

Regarding the employees' number in the social enterprises, 12.8% have "1-5 employees", 15.4% have "6-10", 12.8% have "11-20", 8.5% have "21-30", and 50.4% have "more than 30".

Regarding the work sector/programs of the sample, many of the social enterprises have more than one program. The results show that 59.8% of the sample provide "Education and training", 56.4% provide health services, 29.9% of work is in "Agriculture", 23.9% provide "culture and sport activities", 41% of work is in "Economic development", 6% of work is in "Democracy and Human Rights", and 8.5% have programs in "Environment".

Regarding the target groups with the SEs, there are 64.1% of target youth, 71.8% of target women, 70.9% of target people with disabilities, 61.5% of target children, and 72.6% of target orphans. It is noted that many of SEs target are in more than one group.

Average of annual budget during the last three years for 19.7% of the SEs is less than \$50,000, 13.7% of SEs budget is between \$50,000 and less than \$100,000, 5.1% have budget between \$100,000 and less than \$150,000, 0.9% have budget between \$150,000 and less than \$200,000, 60% of them have budget more than \$200,000.

Also, 22.2% of the SEs depend on the external fund with rate between 0%-25%, 21.4% with rate between 26-50%, 36.8% with rate between 51%-75% and 19.7% with rate between 76%-100%.

Finally, many projects were implemented with the SEs; therefore, since the establishment 87.2% of those SEs targeted more than 300 people.

Table 4.2: Background of the social enterprise (N=117)

Background of the social enterprise		Frequency	Percent
Legal status (The social enterprise has a license)	Yes	72	61.5
	No	45	38.5
The social enterprise is licensed as	Non-Profit organization	91	77.8
	Non-Profit firm	13	11.1
	Profit firm	5	4.3
	Cooperative	2	1.7
	Other	6	5.1
Years of experience	Less than 3 years	6	5.1
	3- less than 6 years	9	7.7
	6- less than 10 years	18	15.4
	10 years and more	84	71.8
Head quarter's location	North Gaza	26	22.2
	The Gaza	44	37.6
	Middle Area	14	12.0
	Khan Younis	20	17.1
	Rafah	13	11.1
Number of employees	1-5	15	12.8
	6-10	18	15.4
	11-20	15	12.8
	21-30	10	8.5
	more than 30	59	50.4
Work sector/programs	Education and training	70	59.8
	Health	66	56.4
	Agriculture	35	29.9
	Culture & Sport	28	23.9
	Economic development	48	41.0
	Democracy and Human Rights	7	6.0
	Environment	10	8.5
	Other	27	23.1
Target group	Youth	75	64.1
	Women	84	71.8
	People with Disability	83	70.9
	Children	72	61.5
	Orphans	85	72.6
	Other	28	23.9
Geographic work area	North Gaza	52	44.4
	The Gaza	60	51.3
	The Middle Area	39	33.3

Background of the social enterprise		Frequency	Percent
	Khan Younis	52	44.4
	Rafah	46	39.3
Average of annual budget during the last three years	Less than \$50,000	23	19.7
	\$50,000- less than \$100,000	16	13.7
	\$100,000- less than \$150,000	6	5.1
	\$150,000- less than \$200,000	1	0.9
	\$200,000 and more	71	60.7
Dependence of rate on external funding	0%-25%	26	22.2
	26-50%	25	21.4
	51%-75%	43	36.8
	76%-100%	23	19.7
The self-revenue rate	0%-25%	35	29.9
	26-50%	44	37.6
	51%-75%	23	19.7
	76%-100%	15	12.8
Number of projects that implemented and targeted vulnerable people during the last three years	1-4	26	22.2
	5-10	24	20.5
	11-15	16	13.7
	16 and more	51	43.6
Number of vulnerable people who benefited from the enterprise services during the last three years	1-100	3	2.6
	101-200	6	5.1
	201-300	6	5.1
	more than 300	102	87.2

4.1.3 The Factors Analyzing

a) Identifying resources

Table 4.3 represents that mean of field "Identifying resources" equals 5.89 (58.88%), Test-value = 2.87, P-value=0.002, it is less than $\alpha = 0.05$, Test sign is (+), the mean of identifying resources is significantly more than the hypothesized value 5.5.

This means "Identifying resources" field is agreed with respondents.

Table 4.3 also shows additional results including:

The mean of item #9 "There are sufficient physical resources in the social enterprise which are needed for implementing the activities" equals 7.74 (77.39%), Test-value = 13.33, and P-value = 0.000, it is less than $\alpha = 0.05$, test sign is (+), the mean of "There

are sufficient physical resources in the social enterprise which are needed for implementing the activities" is significantly greater than 5.5. This means this item is agreed with respondents.

The mean of "The government provides support to the social enterprise- Item 7" equals 3.41 (34.09%), Test-value = -7.74, and P-value = 0.000, it is less than $\alpha = 0.05$, the test sign is (-), thus the mean of item 7 is less than 5.5. Consequently, this item is disagreed with respondents.

Also note in Table 4.3 the items is ranked according to what extents the items are available in the SEs, for example item 7 get rank 1, this means that 77.39% of the SEs have a sufficient physical resource which is needed for implementing the activities. Item 8 gets rank 2 because 74.82% of respondents have an adequate number of skilled human resources in the social enterprise and so on.

Table 4.3: Means and test values for “Identifying Resources”

	Item	Mean	S.D	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1.	The social enterprise’s annual budget is adequate to achieve the objectives and ensure sustainability	6.70	1.97	67.01	6.59*	0.000	3
2.	The social enterprise has self-financing sources to increase the sustainability	6.22	2.36	62.22	3.30*	0.001	5
3.	The social enterprise can operate without external funding	5.08	2.52	50.78	-1.81*	0.037	7
4.	International and national donors support the social enterprise	6.32	2.43	63.25	3.67*	0.000	4

	Item	Mean	S.D	Proportional mean (%)	Test value	P-value (Sig.)	Rank
5.	Individuals support our social enterprise	5.39	2.79	53.93	-0.41	0.340	6
6.	The mother organization allocates an annual budget for the social enterprise	4.72	2.93	47.16	-2.88*	0.002	8
7.	The government provides support to the social enterprise	3.41	2.90	34.09	-7.74*	0.000	9
8.	There is an adequate number of skilled human resources in the social enterprise	7.48	2.35	74.82	9.00*	0.000	2
9.	There are sufficient physical resources in the social enterprise which are needed for implementing the activities	7.74	1.80	77.39	13.33*	0.000	1
	Item 1-9	5.89	1.46	58.88	2.87*	0.002	

* The mean is significantly different from 5.5

b) *Organizational capabilities*

In Table 4.4 mean of “Organizational capabilities” = 7.48 (74.77%), Test-value = 14.02, and P-value=0.000, it is less than $\alpha = 0.05$. Test sign is (+), the mean of "organizational capabilities" is more than the hypothesized value 5.5. This means that the field is agreed by respondents.

Table 4.4 also represents additional information including:

“Organizational capabilities play an important role in the social enterprise’s success and sustainability- item 1” has mean that equals to 8.32 (83.25%), Test-value = 17.45,

and P-value = 0.000, it is less than $\alpha = 0.05$. Test sign is (+), mean of item 1 is more than the hypothesized value 5.5. Thus, item 1 is agreed with respondents.

“The social enterprise has a sustainability plan- item 12” equals to 6.72 (67.16%), Test-value = 5.92, and P-value = 0.000, it is less than $\alpha = 0.05$. Test sign is (+), item 12 get mean more than the hypothesized value 5.5. Thus, item 12 is agreed with respondents.

Also note in table 4.4 the items are ranked according to what extent the items are available in the SEs, and items with the lowest rank reflect capabilities with need to be developed in the SEs and the needs like item 12 which get rank 14 reflect that only 67.16% of the respondents have a sustainability plan.

Table 4.4: Means and test values for “Organizational Capabilities”

	Item	Mean	S.D	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1.	Organizational capabilities play an important role in the social enterprise’s success and sustainability	8.32	1.75	83.25	17.45*	0.000	1
2.	A qualified staff with an appropriate work experience in the social enterprise	8.27	1.62	82.74	18.49*	0.000	2
3.	The development of human resources, competencies and skills is given a high priority in the social enterprise	7.49	1.78	74.91	12.07*	0.000	7
4.	The social enterprise team has a high level of leadership and managerial competencies	7.90	1.83	78.97	14.17*	0.000	5

	Item	Mean	S.D	Proportional mean (%)	Test value	P-value (Sig.)	Rank
5.	There is a fundraising staff in the social enterprise	6.86	2.29	68.63	6.44*	0.000	11
6.	There is a marketing staff in the social enterprise	6.81	2.16	68.12	6.57*	0.000	12
7.	The social enterprise has systems	7.95	1.92	79.49	13.76*	0.000	4
8.	The social enterprise team makes needs assessment before preparing budget	7.33	2.09	73.33	9.49*	0.000	9
9.	The social enterprise has a strategic plan	7.59	2.27	75.90	9.94*	0.000	6
10.	The social enterprise has a monitoring and evaluation plan	7.45	2.21	74.53	9.54*	0.000	8
11.	The social enterprise has a risk management plan	7.15	2.18	71.54	8.21*	0.000	10
12.	The social enterprise has a sustainability plan	6.72	2.21	67.16	5.92*	0.000	14
13.	The social enterprise has a marketing plan	6.78	2.10	67.76	6.55*	0.000	13
14.	The social enterprise has a good relationship with donors	8.09	1.84	80.86	15.14*	0.000	3
	Item 1-14	7.48	1.53	74.77	14.02*	0.000	

* The mean is significantly different from 5.5

c) *Competitive advantage*

Table 4.5 represents that mean of the field “Competitive advantage” is equals to 7.37 (73.73%), Test-value = 12.45, and P-value=0.000, it is less than $\alpha = 0.05$, test sign is (+), thus “Competitive advantage” gets mean more than the hypothesized value 5.5.

So “Competitive advantage” is agreed with respondents.

Table 4.5 also represents additional information including:

“Competitive advantage is a key factor that increases the social enterprise’s success and sustainability- item 1” gets mean equal to 7.94 (79.40%), Test-value = 14.01, and P-value = 0.000, it is less than $\alpha = 0.05$, test sign is (+), thus item 1 has mean more than the hypothesized value 5.5, so item 1 is agreed with respondents.

“There is a research & development team and this helps in a achieving the competitive advantage-item 9” with mean equal to 6.71 (67.07%), Test-value = 5.50, and P-value = 0.000, it is less than $\alpha = 0.05$, test sign is (+), thus, item 9 with mean more than the hypothesized value 5.5, so item 9 is agreed with the respondents.

Also note in table 4.5, the items are ranked according to what extent the items are available in the SEs, and items with the lowest rank reflect needs in the SEs to be met and developed like item 9 which gets rank 9 reflecting that only 67 % of the respondents have a research & development team.

Table 4.5: Means and test values for “Competitive advantage”

	Item	Mean	S.D	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1.	The competitive advantage is a key factor that increases the social enterprise’s success and sustainability	7.94	1.88	79.40	14.01*	0.000	1
2.	Social enterprise can compete with other social enterprises and private companies	7.90	1.69	78.97	15.31*	0.000	2
3.	The social enterprise has sufficient financial resources to compete	7.38	2.03	73.85	10.05*	0.000	5
4.	The social change mission is a competitive advantage to the social enterprise	7.36	1.98	73.59	10.15*	0.000	6
5.	The team makes market needs assessment and analysis to create competitive advantage	7.00	2.08	70.00	7.81*	0.000	8
6.	The social enterprise is focused on quality as a competitive advantage	7.44	1.90	74.44	11.04*	0.000	3
7.	The social enterprise is focused on price as a competitive advantage	7.39	2.08	73.93	9.86*	0.000	4
8.	The social enterprise is focused on innovation as a competitive advantage	7.29	2.06	72.91	9.38*	0.000	7
9.	There is a research & development team that help in a achieving the competitive advantage	6.71	2.36	67.07	5.50*	0.000	9
	Item 1-9	7.37	1.63	73.73	12.45*	0.000	

* The mean is significantly different from 5.5

d) *Legitimacy*

As in table 4.6 “Legitimacy” field gets mean equal to 8.44 (84.39%), Test-value = 20.41, and P-value=0.000, it is less than $\alpha = 0.05$, test sign is (+), “Legitimacy” mean is more than the hypothesized value 5.5. It means the field is agreed with respondents.

Additional information is also represented in table 4.6 including:

The mean of item 3 “The social enterprise fits well within community values, norms, beliefs, social and cultural factors” equals to 8.85 (88.46%), Test-value = 21.29, and P-value = 0.000, it is less than $\alpha = 0.05$, test sign is (+), so item 3 has mean with value more than the hypothesized value 5.5. Thus, the item is agreed with respondents.

“The social legitimacy contributes to creating a competitive advantage-item 4” gets mean equal to 8.04 (80.43%), Test-value = 13.08, and P-value = 0.000, it is less than $\alpha = 0.05$, test sign is (+), item 4 gets mean with the value more than the hypothesized value 5.5. So, item 4 is agreed with respondents.

It continues with the same tendency regarding the other items in Table 4.6.

Table 4.6: Means and test values for “Legitimacy”

	Item	Mean	S.D	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1.	Legitimacy is an important factor of the social enterprise’s sustainability	8.23	2.01	82.35	14.59*	0.000	7
2.	The mission of the social enterprise addresses a social goal	8.59	1.83	85.90	18.22*	0.000	2
3.	The social enterprise fits well within community values, norms, beliefs, social and cultural factors	8.85	1.70	88.46	21.29*	0.000	1

	Item	Mean	S.D	Proportional mean (%)	Test value	P-value (Sig.)	Rank
4.	The social legitimacy contributes to creating a competitive advantage	8.04	2.10	80.43	13.08*	0.000	8
5.	The social enterprise has excellent reputation and relationship with all stakeholders	8.45	1.78	84.53	17.96*	0.000	5
6.	The social enterprise has a positive effect on the target group	8.47	1.61	84.66	19.81*	0.000	4
7.	The strategic objectives of the social enterprise are compatible with the national priorities	8.49	1.72	84.87	18.84*	0.000	3
8.	The social enterprise considers issue that is related to gender justice and good governance	8.37	1.94	83.65	15.85*	0.000	6
	Items 1-8	8.44	1.56	84.39	20.41*	0.000	

* The mean is significantly different from 5.5

4.1.4 The Social Enterprise's Impact in The Gaza Strip

Table 4.7 represents "Social enterprise's impact" mean = 7.89 (78.92%), Test-value = 17.56, and P-value=0.000, it is less than $\alpha = 0.05$, test sign is (+), the field has mean value more than the hypothesized value 5.5. "Social enterprise's impact" is agreed with respondents.

Additional results are illustrated in table 4.6 including that:

The mean of item 1 “The social enterprise contributes to poverty and unemployment reduction among the vulnerable group” equals 8.36 (83.62%), Test-value = 18.51, P-value = 0.000, it is less than $\alpha = 0.05$, test sign is (+), so item 1 has mean value more than hypothesized value 5.5. Item 1 is agreed with respondents. The same tendency continues regarding analysis of other items’ results in table 4.7.

Also, the rank in Table 4.7 represents which field of SEs has the highest impact from the respondent’s perspective.

Table 4.7: Means and test values for “Social Enterprise Impact”

#	Items	Mean	S.D	Proportional mean(%)	Test value	Rank
1	The social enterprise contributes to poverty and unemployment reduction among the vulnerable group	8.36	1.66	83.62	18.51*	1
2	The social enterprise contributes to empowering the vulnerable group	8.22	1.53	82.24	19.21*	2
3	The social enterprise contributes to enhancing the health conditions of the vulnerable group	8.07	1.57	80.69	17.62*	3
4	The social enterprise contributes to enhancing the social situation of the vulnerable group	8.09	1.63	80.86	17.04*	4
5	The social enterprise contributes to enhancing the psychosocial conditions of the vulnerable group	7.85	1.76	78.53	14.40*	9
6	The social enterprise contributes to increasing the food security among the vulnerable group	7.71	1.91	77.07	12.44*	10

#	Items	Mean	S.D	Proportional mean(%)	Test value	Rank
7	The social enterprise contributes to capacity that is built among the vulnerable group	7.68	1.85	76.81	12.70*	11
8	The social enterprise contributes to increasing the education level of the vulnerable group	7.66	1.85	76.64	12.59*	12
9	The social enterprise contributes to the development of the industry/ service sector	7.38	2.16	73.79	9.36*	13
	Item 1-9	7.89	1.47	78.92	17.56*	5

* The mean is significantly different from 5.5

4.1.5 The Main Challenges for Social Enterprise Sustainability

As represented in table 4.8, “Main challenges for sustainability of social enterprise” mean equals to 7.38 (73.83%), Test-value = 16.14, and P-value=0.000, it is less than $\alpha = 0.05$. Test sign is (+), and the mean value is more than hypothesized value 5.5. So “Main challenges for sustainability of social enterprise” are agreed with the respondents.

Table 4.8 also shows other results including that:

The greatest challenge that the social enterprise faces with is the operational costs where the mean of item 1 “Operational costs consider a big challenge” equals to 8.44 (84.40%), Test-value = 19.58, and P-value = 0.000, it is less than $\alpha = 0.05$. Test sign is (+), item has mean value more than hypothesized value 5.5. So “Operational costs consider a big challenge” is agreed with 84.4% of the respondents. This tendency continues regarding analysis of other items’ results in table 4.8.

Also, Table 4.8 ranks the challenges from the most to the least ones from the respondent's perspective.

Table 4.8: Means and test values for “The Main Challenges for The Sustainability of Social Enterprise”

#	Items	Mean	S.D	Proportional mean (%)	Test value	P-value (Sig.)	Rank
1	Operational costs consider a big challenge	8.44	1.62	84.40	19.58*	0.000	1
2	Inability to recover the cost from the vulnerable group	7.75	1.83	77.48	13.14*	0.000	3
3	The poor accessibility to different kind of funding	7.66	1.84	76.64	12.66*	0.000	4
4	The absence of the government support	7.98	2.38	79.83	11.21*	0.000	2
5	The culture of "fear of failure" is a barrier for growth and development	7.07	1.97	70.69	8.59*	0.000	9
6	Poor marketing for the social enterprises	7.22	1.87	72.24	9.91*	0.000	7
7	Private firms are competitors, and threat to existence of SEs	7.45	1.89	74.48	11.10*	0.000	5
8	The absence of the legal frame for the social enterprise	6.81	2.10	68.10	6.72*	0.000	10
9	The poor planning in the social enterprise	6.80	2.16	68.02	6.50*	0.000	11
10	The poor ability to create a competitive advantage for the social enterprise	6.78	1.94	67.84	7.14*	0.000	12

#	Items	Mean	S.D	Proportional mean (%)	Test value	P-value (Sig.)	Rank
11	The large number of the target group which is not compatible with the available fund amount	7.21	1.99	72.07	9.22*	0.000	8
12	The culture and personality of the target group effects the long-term social change	7.39	1.92	73.91	10.55*	0.000	6
	Item 1-12	7.38	1.26	73.83	16.14*	0.000	

* The mean is significantly different from 5.5

4.1.6 Research Hypothesis

H1: There is a relationship between social enterprise sustainability in the Gaza strip and identifying resourcing with the significance level of $\alpha = 0.05$.

The Pearson CC test is used for H1 as present in table 4.9 where the CC between social enterprise sustainability in the Gaza strip and identifying resourcing = 0.410 and p-value (Sig.) = 0.000. The p-value (Sig.) ≤ 0.05 , that means CC is statistically significant at $\alpha = 0.05$. Thus, H1 is approved.

Table 4.9: CC between social enterprise sustainability in the Gaza strip and identifying resourcing

	Pearson Correlation Coefficient	P-Value (Sig.)
Relationship between social enterprise sustainability in Gaza strip and identifying resourcing	.410*	0.000

* Correlation is significant at the 0.05 level

H2: There is a relationship between social enterprise sustainability in the Gaza strip and organizational capabilities with the significance level of $\alpha = 0.05$.

Pearson CC test is used for H2 as in table 4.10 where CC between social enterprise sustainability in the Gaza strip and organizational capabilities = 0.552 and the p-value (Sig.) = 0.000. The p-value (Sig.) ≤ 0.05 , that means the CC is statistically significant at $\alpha = 0.05$. Thus, H2 is approved.

Table 4.10: CC between social enterprise sustainability in the Gaza strip and organizational capabilities

	Pearson Correlation Coefficient	P-Value (Sig.)
Relationship between social enterprise sustainability in Gaza strip and organizational capabilities	.552*	0.000

* Correlation is significant at the 0.05 level

H3: There is a relationship between social enterprise sustainability in Gaza strip and competitive advantage with the significance level of $\alpha = 0.05$.

Pearson CC test is used for H3 as in table 4.11 where the CC between social enterprise sustainability in the Gaza strip and competitive advantage = 0.560 and the p-value (Sig.) = 0.000. The p-value (Sig.) ≤ 0.05 , this means the CC is statistically significant at $\alpha = 0.05$. Thus, H3 is approved.

Table 4.11: CC between social enterprise sustainability in the Gaza strip and competitive advantage

	Pearson Correlation Coefficient	P-Value (Sig.)
Relationship between social enterprise sustainability in Gaza strip and competitive advantage	.560*	0.000

* Correlation is significant at the 0.05 level

H4: There is a relationship between social enterprise sustainability in the Gaza strip and legitimacy with the significance level of $\alpha = 0.05$.

Pearson CC test is used for H4 as in table 4.12 where the CC between social enterprise sustainability in the Gaza strip and legitimacy = 0.560 and the p-value (Sig.) = 0.000. The p-value (Sig.) is ≤ 0.05 , this means the CC is statistically significant at $\alpha = 0.05$. Thus, H4 is approved.

Table 4.12: CC between social enterprise sustainability in Gaza strip and legitimacy

	Pearson CC	P-Value (Sig.)
Relationship between social enterprise sustainability in Gaza strip and legitimacy	.560*	0.000

* Correlation is significant at the 0.05 level

4.2 FINDING OF THE SECOND TOOL OF RESEARCH- SEMI-STRUCTURED INTERVIEWS

The researcher did (8) Interviews to discuss the impact of social enterprise in the Gaza strip and sustainability challenges from government and international organizations' perspective using the interview form (appendix 2 and 3).

The results of the interviews of the representative of the international donors are outlined to the concept of SE in the Gaza Strip, the role of international organization in supporting social enterprises, impact of SEs, and sustainability challenges.

i) The concept of social enterprises in Gaza strip

All 8 interviews highly agreed that the definition of SEs in Gaza strip is undefined and unclear. Mr. Salah Hammad (UNDP, 2019) ensured that the idea of social enterprise in the Gaza strip is still immature neither for the international organizations nor the NGOs. Mrs. Haneen Abu Nahla (Enable, 2019) agreed with Mr. Hammad and mentioned that there is a confusion regarding the concept and the difference between the entrepreneurship and the social entrepreneurship, Mrs. Abu Nahla indicated that the

reason for that is because of the absence of examples built on the true basics. From his side, Mr. Malk Abu Rajila (Gift of the Givers, 2019) said that due to the instability and the Gaza crises situation, NGOs mostly focus on the relief projects more than on projects with long-term impact like social enterprises. Mr. Ehab Al-Esawi (Al – Hayat Yulo, 2019), Mr. Ahmed Alraie (Alkhair, 2019), and Mrs. Noor Habib (LETC, 2019) also agreed with all what was mentioned above.

ii) *The role of international organization in supporting SEs*

Interviews' findings represent that the international organization provides the following for Gaza SEs:

- a) Financial support
- b) Technical support and consultancy
- c) Networking

iii) *The impact of social enterprise*

Table 4.13 illustrates the opinion of the interviewees regarding the impact of the Gaza social enterprise. The results show that most of the interviewees ensure Gaza social enterprise impact and evaluate the impact in between high and fair levels. For example, 67% of them highly agreed that the social enterprise contributes to increasing the food security among the vulnerable group (Item 6), while 33% of them give a fair degree of agreement.

Table 4.13: Impact of the social enterprise in the Gaza strip from the perspective of interviewees

#	Statement	Agreed %		
		High	fair	poor
1	The social enterprise contributes to poverty and unemployment reduction among the vulnerable group	50%	33%	17%
2	The social enterprise contributes to empowering the vulnerable group	33%	33%	33%
3	The social enterprise contributes to enhancing the health conditions of the vulnerable group	50%	50%	0%
4	The social enterprise contributes to enhancing the social situation of the vulnerable group	33%	50%	17%
5	The social enterprise contributes to enhancing the psychosocial conditions of the vulnerable group	50%	33%	17%
6	The social enterprise contributes to increasing the food security among the vulnerable group	67%	33%	0%
7	The social enterprise contributes to capacity building among the vulnerable group	17%	83%	0%
8	The social enterprise contributes to increasing the education level of the vulnerable group	50%	50%	0%
9	The social enterprise contributes to the development of the industry/ service sector	17%	33%	50%

iv) *The sustainability challenges*

Table 4.14 illustrates the opinion of the interviewees regarding the main challenges that sustainability of Gaza SEs face with. The results show that challenges can be listed according to the ones that are affecting sustainability the most as the following:

- a) Inability to recover the cost from the vulnerable group

- b) The poor accessibility to different kinds of funding
- c) The absence of the government support
- d) Poor marketing for the social enterprises
- e) The poor ability to create a competitive advantage for the social enterprise
- f) Intervention with beneficiaries must be comprehensive and needs a high budget
- g) Operational costs face a big challenge
- h) Unstable situation
- i) The private sector competes and threatens SEs
- j) The poor planning in the social enterprise
- k) The culture of "fear of failure" is a barrier for growth and development
- l) The large number of the target group which is not compatible with the available fund amount
- m) The culture and personality of the target group effects the long-term social change
- n) The SE is a hydride organization
- o) The absence of the legal frame for the social enterprise

Table 4.14: Sustainability challenges that the social enterprise faces with in the Gaza strip from the perspective of interviewees

#	Statement	Agreed %		
		High	Fair	poor
1	The SE is a hydride organization	50%	33%	17%
2	Operational costs consider a big challenge	83%	17%	0%
3	Inability to recover the cost from the vulnerable group	100%	0%	0%
4	The poor accessibility to different kinds of funding	100%	0%	0%
5	The absence of the government support	100%	0%	0%
6	Unstable situation	83%	17%	0%
7	The culture of "fear of failure" is a barrier for growth and development	50%	33%	17%

#	Statement	Agreed %		
		High	Fair	poor
8	Poor marketing for the social enterprises	100%	0%	0%
9	The private sector competes and threatens SEs	83%	17%	0%
10	The absence of the legal frame for the social enterprise	33%	50%	17%
11	The poor planning in the social enterprise	67%	33%	0%
12	The poor ability to create a competitive advantage for the social enterprise	100%	0%	0%
13	The large number of the target group which is not compatible with the available fund amount	50%	17%	33%
14	The culture and personality of the target group effects the long-term social change	50%	50%	0%
15	Intervention with beneficiaries must be comprehensive and needs a high budget	100%	0%	0%

v) *The results of the government representatives' interviews*

Two interviews were conducted one of them with Mr. Gazi Hammed the Deputy minister of the Ministry of Social Development, and with Mr. Hatem Awida the Deputy minister of the Ministry of National Economics.

Both of them were asked about the definition of the social enterprises from the Ministry's perspective. Mr. Hammed answered that the social enterprises have a social mission and provide humanity with the assistance to the community through its activities, while Mr. Awida mentioned that according to the Palestinian Law it is allowed to the NGOs develop their financial resources through profitable activities, and then they use this profit to support the social mission.

Both Mr. Hmmed and Mr. Awida ensured the importance of the social enterprise in the Gaza strip, and the role that SE plays in job creation, food security, education, health and other fields. And they mentioned that the Ministries provide facilitation for the social enterprise like license and establishment approval to ensure it is within the national priorities followed by the Ministry of National Economic. In addition, networking with other government organizations is ensured. Mr. Awida also talked about the procedures that the ministry does to follow and ensure the success of the social enterprises like tax exemption and setting the financial and managerial guides.

Regarding the statics, which are available about the social enterprises, both of them mentioned that there is a lack of formal reports and studies in this field.

Finally, Mr. Hammed and Mr. Awida talked about the sustainability challenges which include the funding difficulties, the closure and the siege, and the poor voluntary motivation among the community.

vi) *Comparing the findings of questionnaire and interviews*

The findings of the interviews support the findings of the questionnaire. Both of them confirm the positive impact of the Gaza SEs in alleviating the suffering of the vulnerable groups in the Strip, and the socio-economic development. Also, the challenges that SEs face with were confirmed.

4.3 FINDING OF THE THIRD TOOL OF THE RESEARCH: IRADA CASE

IRADA is a nonprofit vocational training center for people with disabilities (PwD), which was established by generous funding from the Turkish Government. The center is licensed by the Palestinian Ministry of Labor under vision to integrate youth and women with disabilities and promote their role in the community. The center was established in 2012 to help to reduce the poverty and unemployment rates among people with disabilities, where according to the statics there are more than 45,000 people and 90% of them are unemployed (Palestinian Central Bureau of Statistics, 2018).

The center provides different kinds of services to the target group including vocational training for six months, employment opportunities, marketing and networking, and grants to start small business. Since the establishment in 2012 to 2019, more than 1,250 people with physical and hearing disabilities benefited from the training and employment opportunities. More than 15 projects were implemented with support from national and international organizations. In the center more than 13 training workshops in line with the labor market are equipped (IRADA annual report 2019).

On the financial level, the annual budget of the center is around \$500,000. The center depends on different kinds of income resources including (Financial report 2018):

- i) *Self-income*: from the show room revenues where the products of people with disabilities, like furniture and gifts, are sold. It represents around %25-%40 of the total budget.
- ii) *External-income*: including the funding from the national and international donors. It represents around %60-%75 of the total budget and covers the fees of the training and employment activities.

i) *The impact of IRADA from the beneficiaries' perspective*

First: reviewing the 2015 tracer study

In 2015, a tracer study was conducted by the International Labor Organization to evaluate the impact of the IRADA interventions on the target group from the beneficiaries' perspective and the employers' perspective. The study was mainly based on quantitative research conducted with two questionnaires and complemented by a focused group. The first questionnaire covered a sample of (123) PwDs and the second covered (47) employers (Aldayia 2015).

The rate of employment among the respondents of the PwDs was 53%. 46.2% of respondents from the same category have never worked. The study indicated that the majority of PwDs in the underlying study are currently working in small firms with 1-9 employees, earn less than 750 Shekel (\$200), working in Gaza and North of Gaza, working in private sector and self-employed firms, and working less than 20 hours per

week. Importantly, the training of Irada helped respondents to develop many aspects of their life including, commitment, satisfaction, face challenges, time management skills, positive thinking, innovation, appreciation and respects. The employers think that the alumni of Irada, despite their disabilities, are at least, as productive as other employees, and communicate easily with other peers; however, they face challenges with having reasonable accommodation and accessibility (Aldayia, 2015).

Second: focus groups results

In the beginning of 2019, a project entitled "Gaza Youth and Women Employment" was implemented by IRADA with funding from the Swiss Agency for Development and United Nations Development Programme. The project target 45 young women with physical disabilities, and provided them with 6 months vocational training, then a 3 months employment opportunity, and finally supported the best students with grants to start business.

(3) focus groups were organized, (15) graduates participated in each one of them. They were asked to evaluate IRADA intervention and its impact using the form in appendix 4. Table 4.15 illustrates the main results:

Table 4.15: Evaluation of IRADA intervention from the perspective of graduates

#	Item	High	Fair	Poor
1	IRADA training workshops are well equipped	83%	17%	0%
2	IRADA place is rehabilitated and easy to access	100%	0%	0%
3	IRADA staff is qualified and has broad experience	100%	0%	0%
4	IRADA provides many services that meet the needs of people with disability	83%	17%	0%
5	IRADA programs are designed based on the Labor market needs	100%	0%	0%
6	IRADA services are developed continually	83%	17%	0%
7	IRADA selects the beneficiaries in a transparent way	83%	17%	0%
8	IRADA follows up the graduates	100%	0%	0%

#	Item	High	Fair	Poor
9	IRADA project helps to develop the technical and life skills for the graduates	100%	0%	0%
10	IRADA project helps to develop the graduates' personality and increases their self confidence	95%	5%	0%
11	IRADA project helps to enhance the job opportunities for the graduates	90%	10%	0%

Note the results of the focus groups reflect the high percentage of agreement from graduates that IRADA intervention has a positive impact on their life, especially in developing their skills and enhancing their job opportunities.

Third: interviews results

Interviews with 4 graduates were conducted, where they were asked:

Q1: Could you please introduce yourself and why did you join IRADA?

Q2: What services have you benefited from?

Q3: What changes did the project make to your life?

Table 4.16 illustrates the answers of the interviewees which reflect the positive changes that the project did to their lives including developing their skills, personality and enhancing their job opportunity.

Table 4.16: Answers of IRADA interviewees

#	Interviewee Name	Answer Q1	Answer Q2	Answer Q3
1	Nour Shamyia	I am from Khan Younis. I have a Bachelor's degree in media. I was injured in 2014, and became bounded by the reality of disability and amputation. My disability prevents me to get work in my field, so I tried to learn something new; therefore, I enrolled in IRADA.	I got 6 months training in maintenance & programming of smart devices, then job opportunity for 3 months in the private sectors, and finally I got a grant (\$3,000) to establish my maintenance workshop.	Before; I had zero information about using and maintaining devices, and now I've become pretty skillful. The project changed me from a disabled unemployed man to a productive one.
2	Nayfa Hasaneen	I have a Diploma in Basic Education and Multimedia; I am from Gaza city. I enrolled at IRADA to improve my experience in the field.	I got 6 months training which was utterly intensive in graphic design and freelance. Then I was employed for 3 months with \$250 as monthly incentives. Also, I got \$3,000 as a grant to start my business.	A plenty of information had been introduced to us for the first time. The financial incentive was really good; however, for me, I appreciate the spiritual motivation. Now I work and have my clients from Gaza and Arab countries on freelance platforms.
3	Ahmed Abu Sabra	I live in Rafah; I was working in cars' maintenance. I had been inflicted during Great Return March. Then I received medication for nearly seven months. My new disability prevents the work in the old field, So I enrolled in IRADA to learn something new.	I was a trainee at the electrical motors and generators maintenance. Then I was employed for 3 months. I was from the best graduates so I got a grant of \$3,000 to establish my workshop. I also became able to produce machines like a knead machine	My mother was proud of me that despite the injury I wasn't capable to despair disability, instead I searched and learnt, so I'm pleased that I got my run of luck. I have worked on sustainable income source.

#	Interviewee Name	Answer Q1	Answer Q2	Answer Q3
4	Eman Alkhour	I am from Gaza, after graduation I had applied for different jobs through the Ministry of Labour, but I had no jobs. Then I had been accepted for the six-month training at IRADA	I got a lot of benefits though the field was brand-new for me (graphic design and freelance). Afterwards the training period, we have been in the employment period. At the end of the project I received a laptop to continue working from home	The project made a great difference in my life. I've become socially and psychologically better. My ambition has shaped the development trace of designing programs. In order to gain a good reputation in the society and freelancing.

From what was mentioned above about IRADA and its interventions, the following is concluded:

- i) IRADA center plays a vital role in capacity building and decreasing the poverty and unemployment rate among people with disabilities.
- ii) The center successes in achieving the sustainability somehow, while it has a self-revenue from profit activities that cover %25-%40 of the operational cost. In addition, the good relationship with donors helps in securing external finding. The center succeeds to create a competitive advantage by the development of more than 13 training workshops in line with the labor market; in addition, it provides products with a high quality and suitable prices to the community.

Comparing findings of IRADA case with the findings of questionnaire, interviews

The IRADA case results confirmed the positive impact of one of the social enterprises in enhancing the lives of the vulnerable group like people with disabilities, and those results are consistent with the results of the literature review, questionnaire, and interviews.

5. CONCLUSION AND DISCUSSION

5.1 CONCLUSION

The main objective of the research was to develop and build a clear understanding and awareness about sustainability of social enterprises in Gaza strip, discuss the sustainability and identify the sustainability challenges. To achieve research purpose, three tools were used in this research. In the first tool, a questionnaire was used to collect the data from around (117) individuals who work in social enterprises in the Gaza strip, the questionnaire was about the concept, impact, and sustainability challenges. In the second tool, the researcher conducted a semi- structured interview with six representatives from international and national organizations, and two representatives from government organizations. The interviews add more information that supports the results of the first tool. The third tool was an IRADA case, where IRADA center at the Islamic University of Gaza was selected as a social enterprise and this tool helped in identifying the impact of the social enterprise from the perspective of the beneficiaries. In more details we will discuss the findings and make a final conclusion.

The researcher started with the literature review which added more knowledge about the social enterprise as a concept, identifying the characteristics of the social enterprises, and the positive impact of the social enterprise on the lives of the vulnerable groups. In addition, there was an exploration of the factors that support the sustainability of social enterprise, and the challenges that SEs face with. Finally, it provided a good background about the evolution of the social enterprise in the Gaza strip.

Actually, the findings of the literature reviews consist of the findings of research tools (questionnaire, interviews, IRADA case). The findings supported the hypotheses and answered the research questions.

In the light of the findings of literature review and the questionnaire which were presented in section 4, the four hypotheses have been confirmed including:

H1: There is a relationship between social enterprise sustainability in the Gaza strip and identifying resources with the significance level of $\alpha = 0.05$.

H2: There is a relationship between social enterprise sustainability in the Gaza strip and competitive advantage with the significance level of $\alpha = 0.05$.

H3: There is a relationship between social enterprise sustainability in the Gaza strip and organizational capabilities with the significance level of $\alpha = 0.05$.

H4: There is a relationship between social enterprise sustainability in the Gaza strip and legitimacy with the significance level of $\alpha = 0.05$.

Regarding the research questions, all of them were answered, in more details we will discuss each one of them separately.

The first question: to what extent do identifying resourcing, organizational capabilities, competitive advantage, and legitimacy effect the social enterprise sustainability?

Many researchers discuss this question like Jenner (2016), Sabella and Eid (2016), Oberoi (2014), Bagnoli and Megali (2009), Sharir et al (2009), Bansal and Roth (2000), Fukuyama (2002), and others. Those researchers discussed many factors including the four studied factors in this research which are identifying resources, competitive advantage, organizational capabilities, and legitimacy. The findings of literature review consist with the findings of the questionnaire that those four factors greatly affect the sustainability of SEs.

The second question: what does a social enterprise mean?

The literature review and the interviews with international and government representatives provided the answer to this question. Both confirmed that the social enterprise is a hybrid organization with social mission in addition to profit mission, and the SEs use the profit to support their social activities. This definition was agreed by Leung et al. (2019), Jenner (2016), Battilana et al. (2015), Martin and Thompson (2010), Dacin et al. (2010), Alter (2000) and other researchers.

On the other side, regarding the SEs concept in the Gaza strip it seems that the concept is unclear, and the idea of social enterprise in the strip is still immature neither for the international organizations nor the NGOs as mentioned by the interviewees.

The third question: what is the impact of social enterprises on the socio-economic development in Gaza strip?

This question was answered through the findings of the literature review and the findings of the three tools including questionnaire, interviews, and the IRADA case. The findings confirmed the important role of the Gaza social enterprises in solving social and economic problems in the strip.

Sabella and Eid (2016) mentioned that Gaza social enterprises are essential in solving the crisis and disaster recovery. The questionnaire findings agreed with Sabella and Eid (2016) and added more information about Gaza SEs impact including that Gaza SEs have a positive impact in different fields, and the agreed level of the respondents reflects the level of the Gaza SEs impact. From their point of view, the impact of Gaza SEs was most touchable in poverty and unemployment reduction, enhancing the health conditions, and increasing the education level of the vulnerable group. While from the international representatives' point of view, the impact of Gaza SEs was most touchable in increasing the food security, enhancing the health conditions, poverty and unemployment reduction. And this is normal result, as all mentioned fields are essential and have high unmet needs according to the formal statics and reports.

In addition to the above, the IRADA case findings ensure the confirmation of the positive impact of the Gaza SEs on enhancing the lives of the vulnerable group

The fourth question: what is the role of funding agencies in keeping the sustainability of social enterprises in Gaza strip?

luke (2016), Okorley and Nkrumah (2012), and Harding (2007) answered this question while they mentioned that the external funding (grants, subsidies, donations and sponsorships) is basic source for SEs in addition to revenue generation. The international representatives clarified other roles of their organizations including

providing technical support, consultancy, and networking and all that supports the SEs sustainability.

Unfortunately, the Gaza SEs are highly dependent on the external funds. Only 50% of the Gaza SEs that participated in the questionnaire agreed that SEs can operate without external funding.

The fifth question: what are the main challenges that the social enterprises in Gaza strip face with?

In the light of the findings of the literature review and the findings of the questionnaire and interviews, many challenges for SEs sustainability were identified, including inability to recover the cost from the vulnerable group; the poor accessibility to different kinds of funding; the absence of the government support; poor marketing for the social enterprises; the poor ability to find and build a competitive advantage for the social enterprise; the intervention with beneficiaries must be comprehensive and needs a high budget; operational costs face a big challenge; unstable situation; the private companies, as competitors pose a threat to existence of social enterprises; the poor planning in the social enterprise; the culture of "fear of failure" is a barrier for growth and development; the large number of the target group which is not compatible with the available fund amount; and the culture and personality of the target group which effects the long-term social change.

Other findings can be set including:

- i) The main characteristics of the Gaza SEs according to the questionnaire findings are: 61.5% of the sample is licensed enterprises. 77.8% of the sample is registered as Non-Profit organization, 71.8% of the Gaza SEs with experience 10 and more. According to the geographic distribution, the majority of SEs are located in Gaza, North of Gaza, Khan Younis, in the middle Area and finally in Rafah. Regarding the employees' number the majority of SEs has more than 30 employees. The average of annual budget during the last three years for 60% of them is more than \$200,000. More than 60% of the SEs depend on the external fund with rate between 51%-100%.

- ii) The interviews with the international and governmental representatives represent the great support of the international organizations to the Gaza SEs, while the government support is poor and limited with simple facilitations. Unstable situation of the government in The Gaza strip might be the main reason that explains the poor support from the government to the Gaza SEs.

5.2 RECOMMENDATIONS

Recommendations for Palestinian Government in Gaza

- i) Forming coordination body between the SEs and the government.
- ii) Integrating SEs in government strategic plans to reduce poverty.
- iii) Raising social entrepreneurship in education at all levels.
- iv) Supporting SEs in terms of tax and legal work permissions.
- v) Conducting field survey to count and identify the SEs existence in the Gaza Strip and their field of work.

Recommendation for Donors

- i) Allocating annual core fund to support SEs initiatives.
- ii) Conducting field studies to figure out what are the best ideas and fields which can work under siege and cope with unstable conditions in the Gaza Strip.
- iii) Developing a guideline tool with SEs for successful social innovations to be promoted and ultimately replicated across the Gaza Strip.
- iv) Funding capacity building programs to support social entrepreneurs.

Recommendation for Social enterprise management

- i) Making sure the strategic objectives of the social enterprise are compatible with the national priorities.
- ii) Creating social enterprise platform.
- iii) Creating a crowdfunding platform for social enterprises.
- iv) Implementing and sharing the most suitable financial solutions for social enterprises.
- v) Defining the SEs and understanding the purpose of it.
- vi) Exploring and hearing about the role of SEs in post-crisis countries and their success in similar to the Gaza Strip situations.

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APPENDIX



Appendix 1 Questionnaire

Section 1: Personal Information:

1.1 Sex

Female Male

1.2 Age

Less than 30 Year 30- less than 40 year 40-less than 50 year 50 year and more

1.3 Education

Secondary or below Diploma Bachelors Master Doctorates

1.4 Years of experience

Less than 5 years 5- 10 years More than 10 years

1.5 Position

Member of the Board General manager Fundraising/ projects manager
 Financial manager Sale / marketing managers Other:.....

Section 2: Background of the Social Enterprise

2.1 Legal status:

The social enterprise has a license:

Yes No

2.2 The social enterprise is licensed as:

Non-Profit organization Non-Profit firm Profit firm
 Cooperative Other:.....

2.3 Experience years

Less than 3 years 3- less than 6 years 6- less than 10 years 10 years and more

2.4 Head quarter location

North Gaza The Gaza Middle Area Khan Younis Rafah

2.5 Employees number

1-5 6-10 11-20 21-30 more than 30

2.6 Work sector/ programs (You may select more than one answer)

Education and training Health Agriculture Culture & Sport
 Economic development Democracy and Human Rights Environment
 Other: specify.....

2.7 Target group (You may select more than one answer)

Youth Women People with Disability Children
 Orphans Other: specify.....

2.8 Geographical work area (You may select more than one answer)

- North Gaza The Gaza The Middle Area Khan Younis Rafah

2.9 Average of annual budget during the last three years

- Less than \$50,000 \$50,000- less than \$100,000 \$100,000- less than \$150,000
\$150,000- less than \$200,000 \$200,000 and more

2.10 Dependence rate on external funding

- 0%-25% 26-50% 51%-75% 76%-100%

2.11 The self-revenue rate

- 0%-25% 26-50% 51%-75% 76%-100%

2.12 Number of projects implemented that target vulnerable people during the last three years

- 1-4 5-10 11-15 16 and more

2.13 Number of vulnerable people who benefited from the enterprise's services during the last three years

- 1-100 101-200 201-300 more than 300

Section 3: please select from (1) to (10), where (1) represents a strong disagreement and (10) represents a strong agreement

#	Statement	Level 1-10
A	Identifying resources	
1.	The social enterprise annual budget is adequate to achieve the objectives and ensure sustainability	
2.	The social enterprise has self-financing sources to increase the sustainability	
3.	The social enterprise can operate without external funding	
4.	International and national donors support the social enterprise	
5.	Individuals support our social enterprise	
6.	The mother organization allocates an annual budget for the social enterprise	
7.	The government provides support to the social enterprise	
8.	There is an adequate number of skilled human resources in the social enterprise	
9.	There are sufficient physical resources in the social enterprise which are needed for implementing the activities	

#	Statement	Level 1-10
B	Organizational capabilities	
10.	Organizational capabilities play an important role in the social enterprise's success and sustainability	
11.	A qualified staff with an appropriate experience works in the social enterprise	
12.	The development of human resources, competencies and skills is given a high priority in the social enterprise	
13.	The social enterprise team has a high level of leadership and managerial competencies	
14.	There is a fundraising staff in the social enterprise	
15.	There is a marketing staff in the social enterprise	
16.	The social enterprise is built on systems	
17.	The social enterprise team makes needs assessment before preparing budget	
18.	The social enterprise has a strategic plan	
19.	The social enterprise has a monitoring and evaluation plan	
20.	The social enterprise has a risk management plan	
21.	The social enterprise has a sustainability plan	
22.	The social enterprise has a marketing plan	
23.	The social enterprise has a good relationship with donors	
C	Competitive advantage	
24.	The competitive advantage is a key factor that increases the social enterprise's success and sustainability	
25.	The social enterprise can compete with other social enterprises and private companies	
26.	The social enterprise has sufficient financial resources to compete	
27.	The social change mission is a competitive advantage to the social enterprise	
28.	The team makes market needs assessment and analysis to create competitive advantage	
29.	The social enterprise focuses on quality as a competitive advantage	
30.	The social enterprise focuses on price as a competitive advantage	
31.	The social enterprise focuses on innovation as a competitive advantage	
32.	There is a research & development team and this helps to achieve the competitive advantage	
D	Legitimacy	
33.	Legitimacy is an important factor of the social enterprise sustainability	
34.	The mission of the social enterprise addresses a social goal	
35.	The social enterprise fits well within community values, norms, beliefs, social and cultural factors	
36.	The social legitimacy contributes to creating a competitive advantage	
37.	The social enterprise has excellent reputation and relationship with stakeholders	
38.	The social enterprise has a positive effect on the target group	
39.	The strategic objectives of the social enterprise are compatible with the national priorities	
40.	The social enterprise considers issue related to gender justice and good governance	

Section 4: The impact of social enterprises in the socio-economic development in the Gaza Strip. Please select from (1 to 10), where (1) represents a strong disagreement and (10) represents a strong agreement

#	Statement	Level 1-10
1.	The social enterprise contributes to poverty and unemployment reduction among the vulnerable group	
2.	The social enterprise contributes to empowering the vulnerable group	
3.	The social enterprise contributes to enhancing the health conditions of the vulnerable group	
4.	The social enterprise contributes to enhancing the social situation of the vulnerable group	
5.	The social enterprise contributes to enhancing the psychosocial conditions of the vulnerable group	
6.	The social enterprise contributes to increasing the food security among the vulnerable group	
7.	The social enterprise contributes to capacity building among the vulnerable group	
8.	The social enterprise contributes to increasing the education level of the vulnerable group	
9.	The social enterprise contributes to the development of the industry/ service sector	

Section 5: The main obstacles and challenges for the sustainability of social enterprise, please select from (1 to 10), where (1) represents a strong disagreement and (10) represents a strong agreement

#	Statement	Level 1-10
1.	Operational costs face a big challenge	
2.	Inability to recover the cost from the vulnerable group	
3.	The poor accessibility to different kinds of funding	
4.	The absence of the government support	
5.	The culture of "fear of failure" is a barrier for growth and development	
6.	Poor marketing for the social enterprises	
7.	The private companies threat the existence of social enterprises	
8.	The absence of the legal frame for the social enterprise	
9.	The poor planning in the social enterprise	
10.	The poor ability to create a competitive advantage for the social enterprise	
11.	The large number of the target group is not compatible with the available fund amount	
12.	The culture and personality of the target group effects the long-term social change	

Appendix 2
Interview of International Organization

1. What is the support that the International Organization provides to social enterprises?
2. Do you think the concept of the social enterprise is well clear and identified?
3. To what extent do you think the social enterprise in the Gaza strip succeed to achieve the following impacts?

#	Statement	Agreed %		
		High	fair	poor
1	The social enterprise contributes to poverty and unemployment reduction among the vulnerable group			
2	The social enterprise contributes to empowering the vulnerable group			
3	The social enterprise contributes to enhancing the health conditions of the vulnerable group			
4	The social enterprise contributes to enhancing the social situation of the vulnerable group			
5	The social enterprise contributes to enhancing the psychosocial conditions of the vulnerable group			
6	The social enterprise contributes to increasing the food security among the vulnerable group			
7	The social enterprise contributes to capacity building among the vulnerable group			
8	The social enterprise contributes to increasing the education level of the vulnerable group			
9	The social enterprise contributes to the development of the industry/ service sector			

4. To what extent do you think the following challenges affect the sustainability of social enterprise in the Gaza strip?

#	Statement	Agreed %		
		high	fair	poor
1	The SE is a hydride organization			
2	Operational costs face a big challenge			
3	Inability to recover the cost from the vulnerable group			
4	The poor accessibility to different kinds of funding			
5	The absence of the government support			
6	Unstable situation			
7	The culture of "fear of failure" is a barrier for growth and development			
8	Poor marketing for the social enterprises			
9	The private companies, as competitors, pose a threat to existence of social enterprises			
10	The absence of the legal frame for the social enterprise			
11	The poor planning in the social enterprise			
12	The poor ability to create a competitive advantage for the social enterprise			
13	The large number of the target group is not compatible with the available fund amount			
14	The culture and personality of the target group effect the long-term social change			
15	Intervention with beneficiaries must be comprehensive and needs a high budget			

Appendix 3

Interview of Government Organization

1. What is the social enterprise?
2. Do you think that social enterprises have an important role in the Gaza strip?
3. What kind of support does the Ministry provide for the social enterprises?
4. Is there is any statics or formal report about the social enterprises?
5. What do you think are the main challenges that the social enterprise sustainability face with?



Appendix 4

IRADA evaluation form- Focus group

Please tell us to what extent you agree with the sentences in the table below:

#	Item	High	Fair	Poor
1	IRADA training workshops are well equipped			
2	IRADA place is rehabilitated and easy to access			
3	IRADA staff is qualified and has broad experience			
4	IRADA provides many services that meet the needs of people with disabilities			
5	IRADA programs are designed based on the Labor market needs			
6	IRADA services are developed continually			
7	IRADA selects the beneficiaries in a transparent way			
8	IRADA follows up the graduates			
9	IRADA project helps in developing the technical and life skills for the graduates			
10	IRADA project helps in developing the graduate's personality and increasing their self confidence			
11	IRADA project helps in enhancing the job opportunities for the graduates			

Appendix 5

Interview questions for IRADA graduates

Q1: Could you please introduce yourself and why did you join IRADA?

Q2: What services have you benefited from?

Q3: What changes did the project make to your life?

