



Harnessing Digital Innovation for Social Change: An Empirical Study of Social Entrepreneurship in the Digital Era.

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ABSTRACT

This study examines the issues of digital innovation and social entrepreneurship and how digital technologies help social entrepreneurs towards creation of sustainable social impact. This study employed the use of mixed methods approach by examining digital strategies used by social entrepreneurs, the challenges they faced and the outcome. A survey of 150 social entrepreneurs and critical interview of 20 digital social entrepreneurship leaders, this provided a very good insight into the role of digital technologies in scaling social impact. The study shows that there is significant increase ($p=0.00 < 0.05$.) in social entrepreneurship in the digital age among the gender between the age interval of 15 to 30. Without minding the positive contribution of digital technologies, challenges persist which include but not limited to cyber-security issues, digital divide etc. the study contribute to knowledge by informing policymakers, practitioners, researchers on the best way for harnessing digital innovation for social change.

Key Words: Sustainable impact, Digital innovation, Social entrepreneurship and Social change, chi-square, questionnaire.

1.0 INTRODUCTION

The dynamic natures of the world we live in have caused the people and the environment to experience unparalleled levels of economic, social and environmental challenges. These challenges pushed the people especially scholars to start looking for innovative ways of tackling these challenges. According to United Nations (2020), poverty, inequality, climate change and social injustice are few of the examples of the complex problems that require innovative solutions. Austin et al, (2004), social entrepreneurship has emerged as a vital approach to addressing these challenges. Social and technological innovations have turn out to be a mechanism for answering various questions patterning to the challenges people and organizations faced in the day to day existence in addition, these innovations can get adequate governmental and administrative support. Nevertheless, there is a need to enlarge new business models and reorganize businesses to implement innovations faster, more easily, and more efficiently. Therefore, social entrepreneurship seems to be the correct direction for businesses to accomplish sustainable development goals. Social entrepreneurship can address hybrid business models and innovative business ecosystems by applying business knowledge to creating sustainable solutions for complex social and environmental problems (Matej, 2022).

Digitalization have to do with the transformation from non-digital to digital tools and technologies in corporate processes and management, has been recognized as one of the prerequisites for modern companies to survive, compete, and grow (Abou-foul, M., 2021; Etemad et al., 2010; Skare et al., 2023). Digitalization has been recognized not only as a necessity for competitiveness (Powell and Dent-Micallef, 1997) but as a “turbocharger” of the factors that drive and enable corporate growth and scaling (Bohan et al., 2024). The rapid development of digital technologies has transformed the landscape of social entrepreneurship. Consequently, digitization has presented a new impetus and challenges for social value creation in the current digitally transforming entrepreneurship scenario (Deganis et al, 2021 & Liu, 2022) and many social enterprises stand to lose out if they do not leverage digital technologies (Gagliardi, 2020). According to Chesbrough (2010), digital innovation has enabled social entrepreneurs to reach wider audiences, mobilise resources and create more sustainable impact. The proliferation of digital platforms, social media and mobile technologies has also democratized access to information, networks and market (Castells, 2015).

Furthermore, as a growing number of companies are committing to broadening their value creation beyond the economic scope, social enterprises provide a fitting context to scrutinize the impact of digitalization in the presence of blended value creation. Notwithstanding the increasing importance of digital innovation in social entrepreneurship, there is need for more empirical research studies on this topic. Existing literatures has primarily focused on

the role of digital technologies in social entrepreneurship, but few have examined the specific mechanisms by which digital innovation drives social change (Short et al., 2017).

In this study, 'harnessing digital innovation for social change: an empirical study of social entrepreneurship in the digital era' the researchers aim to tackle the research gap by examining the relationship digital innovation and social change within the context of social entrepreneurship. Specifically, this study investigated how social entrepreneurs leverage digital innovation towards of sustainable social change.

2. METHODOLOGY

This study employs the use of mixed methods approach by examining digital strategies use by social entrepreneurs, the challenges they face and the outcome. A survey of 150 social entrepreneurs and critical interview of 20 digital social entrepreneurship leaders, this will provide a very good insight into the role of digital technologies in scaling social impact. The methods of data analysis will be on percentage, chi-square and coefficient of determination which will be process by using the SPSS program.

3.0 RESULT AND DISCUSSION

TABLE 3.1: BIODATA

VARIABLES	FREQUENCY	PERCENTAGE
Gender		
Male	89	59.3
Female	61	40.7
AGE		
15 – 20	34	22.7
21 – 25	48	32.0
26 – 30	54	36.0
31 – 35	6	4.0
36 – 40	8	5.3
Marital Status		
Single	83	55.3
Married	67	44.7
Level of education		
Secondary school	45	30.0
B.sc/Hnd/Dip/Nce	76	50.7
Master's Degree	29	19.3

Table 3.1: The table above examines the bio-data of the respondents, which shows that 59.2% of the respondents are male while 40.7% are female. The age group indicates that most of the respondents are between the groups of 15 to 30 years. The table also shows that 55.3% of the respondents are single while 44.7% are married. The educational attainment shows that most of the respondents (50.7%) have the following qualifications, B.SC, HND, DIP, and NCE, 30.0% of the respondents have SSCE; furthermore, 19.3 have master's Degree.

TABLE 3.2: SOCIAL ENTREPRENEURSHIP BACKGROUND

VARIABLES	FREQUENCY	PERCENTAGE
What motivated you to start your social entrepreneurship venture?		
Personal experience with social issue	34	22.7
Desire to create social impact	41	27.3

Financial gain	74	49.3
Other (please specify)	1	.7
How long have you been involved in social entrepreneurship?		
Less than 1 year	12	8.0
1-3 years	68	45.3
4-6 years	57	38.0
More than 6 years	13	8.7
What type of social issue does your venture address?		
Education	29	19.3
Healthcare	33	22.0
Environment	48	32.0
Poverty	40	26.7

Table 4.2: The table above examines social entrepreneurship background, which shows that most of the respondents (45.3%) have been involved in social entrepreneurship for one to three years. The table also shows that the respondents were motivated to start social entrepreneurship venture due to the following reasons; Desire to create social impact (27.3%), financial gain (49.3%) and Personal experience with social issue (22.7%). Furthermore, the result indicates that social entrepreneurship venture addresses the following issue; Education (19.3%), Healthcare (22.0%), Environment (32.0%) and poverty (26.7%).

TABLE 3.3: DIGITAL INNOVATION ADOPTION

VARIABLES	FREQUENCY	PERCENTAGE
How familiar are you with digital technologies?		
Not familiar at all	31	20.7
Very familiar	119	79.3
Which digital technologies do you use in your social entrepreneurship venture?		
Social Media	78	52.0
Mobile Apps	12	8.0
Cloud Computing	3	2.0
Artificial Intelligence	57	38.0
How important is digital innovation to your social entrepreneurship venture?		
Not important at all	4	2.7
Very important	146	97.3

Table 3.3: The table above examines digital innovation adoption; it shows that 79.3% of the respondents were familiar with digital technologies, and some of the use for the social entrepreneurship venture were Social Media (52.0%), Artificial Intelligence (38.0%) and mobile apps (8.0%). The table also shows that digital innovation to social entrepreneurship venture is very important in any developing country and also to create employment.

TABLE 3.4: IMPACT AND OUTCOMES

VARIABLES	FREQUENCY	PERCENTAGE
How do you measure the impact of your social entrepreneurship venture?		
Number of beneficiaries	30	20.0
Revenue growth	12	8.0
Social media engagement	65	43.3
Customer satisfaction	43	28.7
What are the primary outcomes of your social entrepreneurship venture?		
Improved education outcomes	49	32.7
Increased access to healthcare	9	6.0
Environmental sustainability	14	9.3
Economic empowerment	78	52.0
How has digital innovation impacted your social entrepreneurship venture's outcomes?		
No impact	4	2.7
Significant impact	146	97.3

Table 3.4: The table above examines the impact and outcomes of the respondents on to social entrepreneurship venture. Which shows that 43.3% of the respondents measure the impact of social entrepreneurship venture by Social media engagement, while 28.7% measure the impact by Customer satisfaction. The result also shows that the major primary outcomes of social entrepreneurship venture are economic empowerment (52.0%) and Improved education outcomes (32.7%). Base on the respondents, 97.3% agrees that digital innovation has significant impact on social entrepreneurship ventures.

TABLE 3.5: CHALLENGES AND OPPORTUNITIES

VARIABLES	FREQUENCY	PERCENTAGE
What are the primary challenges you face in using digital innovation for social change?		
Limited resources	35	23.3
Lack of technical expertise	40	26.7
Regulatory barriers	12	8.0
Competition	63	42.0
What opportunities do you see for digital innovation in social entrepreneurship?		

Increased reach and accessibility	38	25.3
Improved efficiency and effectiveness	41	27.3
Enhanced collaboration and partnerships	29	19.3
New business models and revenue streams	42	28.0

Table 3.5: The table above examines the challenges and opportunities for digital innovation in social entrepreneurship. The result shows most of the challenges face in using digital innovation for social change were Competition (42.0%), Lack of technical expertise (26.7%) and Limited resources (23.3%). The result also shows most opportunities for digital innovation in social entrepreneurship are new business models and revenue streams (28.0%), increased reach and accessibility (25.3%), improved efficiency and effectiveness (27.3%) and Enhanced collaboration and partnerships (19.3%).

3.1: Hypotheses test

3.1: Hypothesis

H₀: There is no significant increase in social entrepreneurship in the digital age

H₁: There is a significant increase in social entrepreneurship in the digital age

Test statistic

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.260E3 ^a	7	.000
Likelihood Ratio	1.098E3	7	.000
Linear-by-Linear Association	13.628	1	.000
N of Valid Cases	150		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 60.63.

Conclusion:

Using chi-square test statistic, it shows that the p-value = 0.00 < 0.05. Therefore, we reject the null hypothesis and conclude that there is a significant increase in social entrepreneurship in the digital age.

To further on the analysis of the assumption, we introduce regression analysis which will enable us to ascertain the whether there's a significant increase in social entrepreneurship in the digital age.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.773 ^a	.598	.597	8.56064

a. Predictors: (Constant),

The table above explain the coefficient of determination, which is 0.598; therefore about 59.8% of the variation in the gender is explained by digital innovation adoption. The regression equation appears to be very useful for making predictions since the value of coefficient of determination is close to 1.

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.160	1	2.160	1.717	.192 ^a
	Residual	186.133	148	1.258		
	Total	188.293	149			

a. Predictors: (Constant), Gender

b. Dependent Variable: DIGITAL INNOVATION ADOPTION

The table above is used to ascertain the goodness of fit –test.

H₀: β = 0

H₁: β ≠ 0

The test statistic

$$F_{cal} = \frac{RMS}{EMS}$$

Since P= 0.192 > 0.05, fail to reject the null hypothesis and conclude that there is a significant upward trend in digital innovation adoption.

4.0 CONCLUSION

Social entrepreneurship in the digital age has transformed the way we address social and environmental challenges. By leveraging technology, innovation and collaboration, social entrepreneurs can create sustainable, scalable and impactful solutions. This study employed the use of mixed methods approach by examining digital strategies used by social entrepreneurs, the challenges they faced and the outcome. A survey of 150 social entrepreneurs and critical interview of 20 digital social entrepreneurship leaders, this provided a very good insight into the role of digital technologies in scaling social impact. The study shows that there is significant increase (p=0.12>0.05) in social entrepreneurship in the digital age among the gender between the age interval of 15 to 30. Without minding the positive contribution of digital technologies, challenges persist which include but not limited to cyber-security issues, digital divide etc. the study contributes to knowledge by informing policymakers, practitioners, researchers on the best way for harnessing digital innovation for social change.

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