

Entrepreneurial Competencies, Competitive Advantage, and Social Enterprise Performance: A Literature Review

*Yusuf Iskandar¹, Joeliaty², Umi Kaltum³, Hilmiana⁴

¹ Faculty of Management and Business, Universitas Padjadjaran, Bandung, Indonesia

² Faculty of Management and Business, Universitas Padjadjaran, Bandung, Indonesia

³ Faculty of Management and Business, Universitas Padjadjaran, Bandung, Indonesia

⁴ Faculty of Management and Business, Universitas Padjadjaran, Bandung, Indonesia

*Corresponding author. Email: yiskandar.indonesia@gmail.com

ABSTRACT

This article looks at a competitive advantage and how it aids a social enterprise's performance. A social enterprise refers to a business determined to bring positive changes in the world when they put their profits into use appropriately. This article focused on the resource-based view (RBV), a concept that bases its argument on a business entity's resources. Numerous entrepreneurial competencies include recognition, relationship, organizing, and strategic competencies. All these have positive effects on social enterprise performance. Different types and sources of competitive advantage positively impact social enterprise performance. The types of competitive advantage include cost leadership, differentiation, and focus strategy. The numerous sources of competitive advantage entail human capital, bundle pricing, product attribute differentiation, price discrimination, customer's willingness to pay, organizational structure, and Technology. The performance of the social enterprise relies on the critical component of social entrepreneurship like a social mission that is put above financial goals, innovativeness, and a self-sustaining business model.

Keywords: *Entrepreneurial Competency; Competitive Advantage; Social Enterprise Performance, Entrepreneur, Entrepreneurial Employee.*

1. INTRODUCTION

Business enterprises are in a competitive era that needs the management to take deliberate actions for their products to encounter fair competition. It is not unusual to see companies or corporations restructuring their mode of operations to boost their performances and maximize their profitability. Besides the profitability aspect, small businesses address several socioeconomic issues concerning poverty as economic progress drivers [1]. Such small business enterprises lead to wealth creation in a country concerning its economic system.

As much as business enterprises significantly contribute to the economy's growth, they encounter challenges in entrepreneurial competencies, which is a significant factor in social enterprise performance [2,3]. That is why it is worth taking an in-depth look at a competitive advantage and how it aids business

performance. Some of the apparent things that make businesses fail to denote better performance include poor commitment and insufficient competencies, among several other reasons.

This systemic review highlights entrepreneurial competencies and gives various examples in a clear conceptual framework that gives a solid theoretical foundation. For instance, such entrepreneurial competencies have lasting impacts on an organization's social performance, as the paper will eventually unveil.

It will be vital to single out such competencies, including opportunity recognition [4,5], relationship competency, and risk-taking competency [2]. Moreover, organizing and strategic competencies are still types that business enterprises need for their performance.

The commitment competency is a good recipe that enables the executive members to work and handle contracts that are also beneficial to the entire organization. This is also true for both information seeking, and conceptual competencies, just like the articles reveal.

2. METHODS

2.1 Review Method

For the study, the most feasible and effective method that has been selected for the literature review is a Systematic Literature Review (SLR). It considers the identification, collection, and critical analysis of various research studies conducted systematically. The fundamental purpose of evaluating this method of reviewing the literature is to provide an extensive summary of the current literature, which is available and applicable to the research question. It is designed to appraise and synthesize the most acceptable evidence to provide evidence-based and informative answers to a specific research question.

One of the key reasons for choosing this research study is that SLR is the "gold standard" process, enabling the researchers to investigate and amalgamate various studies concerning a subject matter. SLR also comprises specific steps, including identifying a research question, evaluating the existing evidence, amalgamating its findings, and drawing pertinent conclusions. This indicates that the already set research question related to SE performance can be effectively and systematically addressed with the support of this form of literature review.

Furthermore, the research study has followed three specific steps to conduct this literature review method appropriately. These steps encompass the identification of the necessity to complete an SLR. Considering all the review protocols, SLR can be facilitated appropriately, reducing the instances of study bias. In this phase, the study selection procedure has been taken into consideration. This is followed by the third step of evaluating the review protocol so that necessary improvements can be undertaken when reporting or conducting the SLR phase.

2.2. Research Questions

The research questions considered in this study are as follows:

- RQ1: What are entrepreneurial competencies and their types?
- RQ2: What are a competitive advantage and its dimensions?
- RQ3: What is meant by social enterprise and social enterprise performance?

- RQ4: What is the relationship between competitive advantage and social enterprise performance?

2.3. Search strategy

Concerning the above research question, the search strategy that has been considered for collecting relevant articles is the Boolean method. In this search strategy, the key terms related to the research study and question are searched, accompanying Boolean operators. These operators encompass "AND" and "OR," among others. On the other hand, the keywords used for searching the most relevant journal or scholarly articles for the SLR are (social) AND (enterprise OR business OR ventur* OR firm) AND (performance) and (social) AND (enterprise OR business OR ventur* OR firm) AND (performance) AND (measure* OR evaluate* OR assess* OR estimate* OR appraise*) AND ("Competitive Advantage").

2.4. Study Selection

Considering the secondary research, all articles were derived from popular digital databases, including "Google scholars," to gather accessible and reliable information. Throughout this process, more than 500 articles were collected. However, the most recent articles related to the research questions were included, excluding the rest from the SLR. The inclusion criteria comprised the articles published only in English, while the remaining pieces were banned in the study.

2.5. Data Extraction, Quality, and Validity

The selected studies have been extracted to collect the most relevant data, addressing the above-formulated research questions. The data extraction protocol was followed for every article, maintaining the study quality and validity of the information gathered. For this, only original articles published in recognized journals have been considered.

3. RESULTS AND DISCUSSION

A social enterprise refers to a business determined to bring positive changes in the world when they put their profits into use appropriately. For instance, such social enterprises prefer reinvesting their profit or donating them to deserving people for the sake of maintaining a positive change as it achieves its social objectives [7]. Social entrepreneurs exist to drive the social enterprises and make their organizations live to accomplish their vision through their set missions. Such are individuals who implement business projects to create a lasting social impact. Five P's exist to unveil the aspects of social entrepreneurship further. These include passion,

purpose, plan, partner, and profit, which work to better a social enterprise. They also play a vital role in making an organization gain its competitive advantage and maintain it. The five P's of social entrepreneurship are aspects that any social enterprise needs to embrace in totality for their relevance. Remarkably, the business world is in the phase of digital transformation [8] that calls for organizations to enact rules of business transformation [9] as the leaders take their center roles in the digitalized world [10].

3.1. Theoretical Foundation

This article focused on the resource-based view (RBV), a concept that bases its argument on the resources that a business entity has [11]. Remarkably, the theory posits that the firms have numerous resources in their possession, resources that enable them to gain competitive advantage and a subsection of that drive the business toward its long-term performance [12,13]. The study considered it essential to consider mediating the competitive advantages and moderating its impacts when a social enterprise is accessing working capital. Furthermore, such entrepreneurial competencies were compared to the economic performance of the social enterprise. An extensive look at the RBV revealed a concept denoting that a business enterprise obtains and manages significant, infrequent, unique. Non-substitutable competencies, resources, and capabilities, it is apparent that such an entity automatically gains a competitive advantage.

In the same way, the social enterprise eventually attains a sustainable performance [14] when the competencies are available for execution [15]. Social enterprises are determined to access unique resources based on the above reasoning, mainly relying on entrepreneurial competencies [1]. As the social enterprises commit to act in ways that denote competitive advantage, they should understand and conceptualize a unique manner of acquiring a particular strategy that ultimately makes them have the rare commodities as hinted earlier on.

3.1.1. Entrepreneurial Competencies

By definition, entrepreneurial competencies single out the underlying characteristics that include traits, specific knowledge, and social roles [16]. These also entail skills and imaginative self-images that contribute to

establishing a new business venture [17]. The entrepreneurial competencies still point to the mechanism that a social enterprise puts in place for growth attainment and business' survival even in times of adverse challenges. In short, such competencies are the underlying factors or characteristics that competent entrepreneurs reveal. Therefore, social business enterprises have individual employees and workers who can combine creativity with a great sense of initiative to solve problems or issues within the organization. Such individuals can arrange resources and apply their financial and technological skills to solve problems. Entrepreneurial competencies quickly make entrepreneurs or entrepreneurial employees initiate change or adapt to inevitable changes. As much as such change is unavoidable, the truth is that the entrepreneurial employees understand that growth is optional but intentional [18]. All these are emphasized on entrepreneurial competencies that are of different types.

3.1.2. Types of Entrepreneurial Competencies

The numerous entrepreneurial competencies include opportunity recognition, relationship competency, risk-taking competency, organizing, information, seeking, commitment, conceptual, and strategic competencies. As detailed in the subsequent paragraphs, each of the mentioned competencies plays a significant role in boosting a social enterprise's performance.

3.1.2.1. Opportunity Recognition Competency

It is difficult for a social business enterprise to thrive without recognizing opportunities for newer products in the market. Just as initially hinted, change is inevitable, especially in this era where technological advancements are the orders of the day. An entrepreneur and entrepreneurial employee must portray opportunity recognition competency because this is the only way to make the social enterprise utilize its maximum potential. As a process that makes individuals actively seek out as they observe opportunities for new products and services in the market, opportunity competency goes beyond creating competitive advantage since it identifies potential business opportunities. It is even better when such an entrepreneurial competency gets a network-based approach [19]. This is even better when the opportunity recognition competence encounters a social networking approach to better the social enterprise performance [20].

Research reveals that opportunity recognition competency quickly unveils the skills and abilities that an entrepreneur or entrepreneurial employee deliberately searches for, finds, and exploits [1]. After observing and interacting with several business opportunities, the entrepreneurs can start a business opportunity that significantly thrives after that. This is because the entrepreneurs get inspiration on managing their social enterprises after developing a business mind and enterprise activity. This means that such individuals emerge as risk-takers who fear nothing in the business world because their initial benchmarking initiatives made them recognize the opportunity available in the market. It is worth noting that for the entrepreneurs to settle on a particular venture after an extensive benchmarking, it has to be one with successful outcomes [21] and a business venture that goes beyond failure and challenges. Besides helping out in opportunity exploration, the opportunity recognition competency also makes the entrepreneurs identify and acknowledge the customers' demands for them to meet [22,23,24] easily. Therefore, it is a competitive advantage with a significant positive impact on social enterprise performance [25].

3.1.2.2. Relationship Competency

Social enterprises are rendered functionless without individuals who consistently interact. This is a situation where the entrepreneurs and the entrepreneurial employees meet to devise means of performing duties. The organization already creates a social gathering where people from all walks of life gather and engage in meaningful conversations geared towards attaining a specific objective. That is where communication skills come into place. A social organization thrives where individual employees and employers denote good communication skills [26]. This is what defines relationship competence. Such communication boosts efficacy at the workplace, leading to productivity [27]. The numerous types of communication that the employees and their employers embrace also guide their interactivity. At a busy social business enterprise, the employees need to understand visual communication skills and written ones for effective interaction [26].

Stakeholders of an organization also do interact with entrepreneurial employees. This means that the level at which such employees demonstrate their efficacy in communication proves their competencies and a reason to work at a social enterprise. The ultimate goal of such communication instance is to make the organization grow and progress wholesomely within the business industry. This also means that the entrepreneurs go out of their comfort zones and initiate mature conversations with the relevant individuals that contribute to the general good

of the organization. The fact that there are several individuals that the employees interact with daily makes gaining communication skills a critical aspect for organizational effectiveness. They interact with the stakeholders, as hinted earlier on, and other significant individuals like suppliers and clients.

Similarly, the entrepreneurial employees and the entrepreneurs interact as staff just like they talk to the government officials and their competitors. No wonder it is advisable for the employees to embrace the acquisition of communication skills for the sake of their relationship competency. The relationship competency also bears a positive impact on social enterprise performance.

3.1.2.3. Organizing competency

Just like any other organization, a social enterprise has different domains that entail financial, physical, human, and technical ones, among several others. The owners of such enterprises have a mandate of taking up responsibilities and roles to manage an assortment of operational arenas. This is where organization competency comes to check managers and small business owners. Here, they are expected to plan and lead individuals and delegate duties as they also coordinate several resources within the organization [1]. This same organizing competency positively influences both competitive advantage and enterprise performance. Organization competency is an entrepreneurial competency that positively influences social enterprise performance.

3.1.2.4. Strategic Competency

The highly dynamic business context requires people and organizations already equipped to take the lead in a competitive world [1]. Strategic competencies come in place to undertake such duties and allow individuals to fully control the organizational activities amidst changing challenges as the entrepreneurs seek to accomplish their vision. An individual employee or an entrepreneur finds it easier to develop the capacity to prepare, plan, formulate and implement business ideas when strategically competent. They also understand what setting particular standards and priorities mean [1]. With strategic competency, an individual can be different to short versus long-term issues and envisage financial needs as they provide new concepts that are wired to instigate development and maintain progress through the organization's strides.

A social enterprise with strategic competency has employees that face the world with a higher degree of courage. This is because such an entity can work concerning its vision that encourages entrepreneurs to plan strategically as they take actions and make their

own decisions. Strategic competency is what any business enterprise needs for efficient performance simply because it has a way of making the entrepreneurs devise not only the clear vision of the company but also one that is strategic. It compels the business owners to write down their long-term goals as they emerge as micro-business enterprises. What matters is that the social enterprises can plan, execute, and attain the business's success. For the above reasons, strategic competency is a type of competitive advantage that contributes positively to the well-being of an organization.

3.2. Competitive Advantage and Economic Performance

3.2.1. Different Types of Competitive Advantage

3.2.1.1. Cost Leadership

Cost leadership refers to a company's whole approach towards pricing its product or services to become the market's cheapest producer. Offering low-cost products/ services to the market gives such a firm a competitive advantage since the price is a key factor that attracts or pushes away customers [27]. One can also refer to cost leadership as a no-frills approach. Since money is the most crucial element in this strategy, businesses that focus on cost leadership often overlook the quality and dependability of their products [28]. If by any chance a given product negatively affects customers, the impact will last for long.

In cost leadership, businesses increase operational efficacy, which lowers the cost per product, both production and selling price per unit. Some of the approaches a company can choose to achieve this cost reduction are reducing the number of employees, implementing new products and sales procedures, and strengthening the supply chain [29]. The main focus here is on the cost of production and not the product itself. As a result, buyers may pay less but never get the quality they deserve.2.5.2 Differentiation.

Differentiation refers to the instance where companies selling almost similar products or offering similar services compete with unique selling options or present their product in a pleasant way that attracts customers to them [30]. In differentiation, the price will not affect sales. However, to maintain more outstanding sales with costs higher than its competitors, a firm has to have an exclusive selling factor that continuously motivates clients to come back for more products. Differentiation can take various forms, including higher customer care services, enhanced quality, better features, and dependability, to name a few [31,32]. It can simply refer to anything other than a product's price that

distinguishes it. As a result, the company may attract clients searching for superior product quality rather than a low price. While a differentiation plan will help a company stand out from its competitors, it is not always a standalone approach towards gaining a sustainable competitive advantage.

3.2.1.2. Focus Strategy

Focus strategy is a bit different from the two types discussed above in that it covers both cost leadership and differentiation. Also, it focuses on particular markets as compared to cost and differentiation leadership that deals with the entire market [33]. An example of a focus strategy is creating stores for visually impaired people or coming up with an animal/pet store. This marketing approach focuses on specific market demography with unique demands [34]. In general, they are tiny marketplaces where new businesses may enter and profit from the alleviated competition. As a result, small businesses can function without competing with giant corporations on pricing. Companies that use these strategies usually acquire a competitive advantage by identifying market demand, particularly those not realized by other firms [35]. Afterward, the firms satisfy the demand without focusing on price sensitivity. In an underserved market, consumers will buy a product even if its price is high.

3.2.2. Sources of Competitive Advantage

3.2.2.1. Human Capital

When assessing the competitive advantage of a given company, its labor force is a crucial determinant of the strength the firm has. The power of a business is only as much as that of its employees [36]. Therefore, all entrepreneurs must ensure that hiring resourcefully and training employees are top-notch events. Also, the company must strive to put in place measures to gain a tremendous advantage when retaining its skilled workers [37]. Often, many companies fail to dedicate substantial time to recruiting and training new or even current employees. This has a more significant impact, especially in the company's future. The human resource departments (HR) should ensure enough preparation, time, and resources to highlight its selection process [38]. When this is done, the company will have efficacy in hiring for vacant positions, rendering professional advancement opportunities training the current workers, and developing a sustainable culture where the employees feel appreciated and constantly urged to do better.

3.2.2.2. Bundled Pricing

Another way an enterprise can gain a competitive advantage over its competitors is by bundling up

products for sale [39,40]. This means that a particular firm needs to identify two or more items and sell them together for a different price that is cheaper than when the customers buy each of them separately. For example, a company that provides cable installation services can have a package that helps the client save time and money in sourcing for other services or items. For cabling enterprises, acquiring a complete package that contains video, data, and purchasing voice, among other services, proves cheaper than having such services rendered in separate instances. However, it is crucial to consider pricing as a significant determinant of the success of bundling products [41]. The company has to evaluate the willingness of the clients to pay a given price for the products. Also, the process should have a strategic design and purpose to ensure the business is a step ahead of its competitors.

3.2.2.3. Price Discrimination Customer's Willingness to Pay (WTP)

The difference in social class has impacted the economic sector where different people can buy a product at different prices. As identified in the previous paragraph, willingness to pay a given fee for a particular product is vital for achieving sales [42]. However, not all customers will appreciate the set price and show their will to buy. This is where price discrimination steps in; the company has to identify clients willing to accept a given product at a higher price and those who can only buy the product when the price is low. Many companies fault due to failing to understand that not all customers will buy a product due to its low cost [43]. Some buyers get driven by higher prices, considering that expensive products are of better quality.

3.2.2.4. Customer's Willingness to Pay (WTP)

A customer's willingness to pay (WTP) refers to the extent of the maximum amount of money the buyer is willing to pay for a given product or service. Considering WTP as a strategic weapon in a competitive environment is critical. Consider what is needed or what will raise a consumers' willingness to pay for a product if they are willing to spend the same amount that other competitors offer [44]. As an enterprise, it is possible to deliberately and strategically adjust to having the business receive a boost in terms of competition [45]. This comes after understanding the dynamics that govern WTP. One way to determine the correct price of a product is by observing the competitor's sales trend and adjusting accordingly. For instance, if the competitor offers higher prices than the customer is willing to pay, it is advantageous to charge lower fees to draw clients to the business.

3.2.2.5. Product Attribute Differentiation

Product attributes simply refer to the elements that make a product viable, beneficial, or visually acceptable to buyers. A well-designed and formed product has to adopt a set of attributes that will work collectively to give it an advantage in attracting customers that will buy regardless of the price [46]. The more specific a company's product's features are compared to the competition, the easier it is to advertise it to discerning buyers. Instead of decreasing prices, a company can promote the product's quality. Differentiation is the act of coming up with better items than competitors [47]. Note that product differentiation is distinct from cost-based strategy since the latter focuses on improving operations and marketing strategies to lure buyers with cheaper products. Differentiation utilizes a range of factors such as product quality, reliability, durability, visual appearance/packaging, style, and environmental friendliness to attract customers to the product [48]. With product attribute differentiation, a company has price control over the clients and does not need to evaluate the WTP of the customers to ascertain the possible price for a given product.

3.2.2.6. Organizational Culture

Developing a strong company culture is a way to ensure the sustainable competitive advantage of other companies. This is a standalone competitive advantage over other factors discussed in the preceding subtitles since it is difficult for other companies to duplicate and emulate the same culture portrayed by their rivals [48, 49, 50, 51, 52]. A healthy organizational culture fosters stouter recruitment, retention, enhanced customer confidence and loyalty, higher productivity, and a noble sense of employee ownership. Aspects that shape a company's culture include but are not limited to social, structural, and strategic influences [53, 54, 55]. However, a company has to intentionally follow three steps, defining its culture, aligning the facets of its culture, and monitoring the culture to set the atmosphere for both the employees and customers to flourish [55]. For many managers, part of the culture design process necessitates a change of their viewpoint. Some managers believe that their primary role is to drive the business towards achieving results. They also have a responsibility to nurture culture and develop the individual and team talent required for today and tomorrow.

3.2.2.7. Technology

Technology has become a principal driver in various aspects of life, including business. Today, the most competitive enterprises adopt and enhance their technological capacities to boost their structural framework [56]. Technology is playing a crucial role

in the reshaping of the corporate landscape. It is no more an obscure phenomenon that exists only in the context of specific sectors and organizations. Rather, every business should now tap into the existing Technology to have an advantage in competing with others. Technology comes in handy for companies dealing with products in achieving economies of scale [57]. Investing in up-to-date Technology can give the business a cost advantage and the ability to offer its products at competitive prices.

3.3. Social Enterprise and Performance Variables

Recently, social enterprises have received much push to become transparent and give out information on their capacity to build social value. Based on the definition of social entrepreneurship, a social enterprise should engage in innovative processes and utilize resources to pursue opportunities that will spark a positive social revolution and meet social needs [58]. Every social enterprise is motivated by a social goal and strives to balance its performance and social purpose. Such companies do not necessarily own penchants or advantageous positions in the competitive market [59, 60, 61]. This is why they need to find ways of balancing their financials and social obligations.

It is crucial to measure performance to develop financially viable operations accurately. Social companies must also address the needs of two sets of stakeholders, both internal and external, in addition to their dual duties [62, 63, 64]. Internal stakeholders need comprehensive information to have a clear point of view to make rational and strategic decisions. On the other hand, the external stakeholders monitor to ensure that there is a comparable and transparent when it comes to measuring the performance of the enterprise [65, 66]. The importance of assessing performance is elevated due to the necessity for relevant and trustworthy data.

3.3.1. Key Components of Social Entrepreneurship

3.3.1.1. Social Mission above Financial Goal

While social companies are in business to profit, they are also driven by a social goal. Every social organization begins with the goal of resolving a social issue. It addresses such societal problems using a novel business strategy to profit [67, 68]. Unlike profit-driven companies, whose primary objective is to produce a profit and meet their shareholders' requirements, the financial return is vital for the enterprise's long-term viability but not necessary. The mission priority distinguishes social enterprises from all other types of businesses [69, 70]. Social

enterprises prioritize social welfare more than any other goal, such as financial mission or shareholder advantages.

3.3.1.2. Innovativeness

Where market-based or governmental institutions fail to deliver solutions to societal problems, social companies develop unique ways to such challenges. Social entrepreneurs seek dramatic, scalable improvements to achieve results [71, 72]. It is worth noting that the word "innovation" does not always imply anything wholly new or revolutionary [73, 74]. A duplicate, an extension, a synthesis, or the act of developing something new altogether is considered innovation.

3.3.1.3. Self-Sustaining Business Model

One of the critical aspects that distinguishes a social enterprise from other company models is its ability to generate profit while pursuing a social objective. The connection between a social company and financial goals is an important feature that intersects social entrepreneurship. Scholars have divided opinions; whether to classify social enterprises as for-profit or non-profit organizations [75, 76]. From the results of previous studies, both the aspect of non-profit and for-profit links to the operations of social enterprises [77, 78, 79]. It is essential to understand that these organizations gain profits from ventures that offer solutions to social problems. Moreover, they primarily utilize the profits to expand the enterprise and offer a broader range of solutions [80, 81, 82, 83]. As such, the model is self-sustainable compared to charitable organizations' model.

3.4. The Relationship Between Competitive Advantage and Social Enterprise Performance

The many aspects of competitive advantage that the article review above has tackled only display its unique association with the social enterprise performance. Just as it is the desire of every organization to maximize its profitability [84], the main driver of the same is a competitive advantage that follows a social mission. As long as a social organization or business enterprise has capable leadership with clearly outlined vision and mission statements [85], it is easier to attain their objectives [86]. That is why laying down competitive advantage strategies is vital in the organization [86,87,88]. An in-depth analysis in the paper has considered numerous entrepreneurial competencies that a social enterprise needs to put in place for fair competition and a good position in the business world. Such have included opportunity recognition, relationship, organizing, and strategic competency. All these types of

entrepreneurial competencies bring the needed competitive advantage that demonstrates and association with the social enterprise performance, as revealed in the subsequent paragraphs.

In the first place, opportunity recognition competency is a significant aspect in the business world that makes organizations thrive [89,90], as described earlier in the paper. It is a type of competency that positively impacts the performance of a social enterprise. Firms with entrepreneurial employees dedicated to funding opportunities for their organizations make such organizations compete fairly in the business world. The employees can actively search for opportunities for new products that the company needs to consider. At the same time, opportunity recognition helps a social enterprise to know the new products that the customers need. Therefore, understanding the market and providing the right products work to the advantage of the social enterprise [91,92,93,94], something that relates positively to the competitive advantage.

In the same way, relationship and organizing competencies are other aspects of entrepreneurial competencies with a positive impact on a social enterprise. When the enterprises' owners take up several roles like managing financial, physical, technical, and human resource domains, they are better positioned to oversee what is going on in their businesses. This is how organizing competency impacts the social enterprise [95,96,97] positively. At the same time, relationship competency highlights the excellent use of communication to achieve an organization's goals. Here, the entrepreneurial employees and their managers develop good communication skills and sustain and use them to better the individuals and group interaction. Since communication is a vital tool that dictates the relationship between the organization and its customers [98,99], the social enterprise values it. Competitive advantage, therefore, relates positively when it comes to relationship competency.

Another significant aspect of competency that makes a social organization achieve its competitive advantage is strategic competency. After an entrepreneur has denoted their prowess in the fundamentals of strategic competencies like planning, formulating, and implementing [1], they are assured of a positive impact on the social enterprise performance [100]. The other type of competitive advantage is cost leadership which refers to the ability of a social enterprise to provide low-cost products and services [27]. It has a positive impact on organizational performance. This is a similar case when it comes to differentiation which triggers the uniqueness of a company when their competitors are selling similar products [30].

4. CONCLUSION AND RECOMMENDATION

A social enterprise performance relies immensely on several aspects of competitive advantages, such as opportunity recognition, relationship, organizing, and strategic competency. These variables positively impact organizational performance, just as the article has singled out. It is worth understanding that the variables work in an environment where the management team has laid down the vision and mission of the enterprise and their primary objectives that act as the driving force for the business. Just as the paper unveiled, the many sources of competitive advantage that the entrepreneurs and entrepreneurial employees at the social enterprise need entail human capital, bundle pricing, customer's willingness to pay, price discrimination, and organizational culture. It calls for a social enterprise to put the social mission above its financial goal to remain relevant and compete fairly in the business world. At the same time, creative individuals constantly develop innovative ideas that lead to better performance of the social enterprise. All in all, coming up with a self-sustaining business model is an excellent step toward attaining competitive advantage and, after that, denoting better performance as a social enterprise.

Therefore, any social enterprise that needs to compete fairly in the business world should acknowledge and embrace Technology in its operations. Again, the several other aspects that an organization requires for the fair competition include entrepreneurial competencies like opportunity recognition, relationship, organizing, and strategic competencies. These competencies are associated with the different types of competitive advantage like cost leadership, differentiation, and focus strategy. That's why it is essential for the management team in a social enterprise to gain adequate knowledge concerning the variables above for better performance and remaining relevant in the market. Above all, the entrepreneurial employees and entrepreneurs have a mandate to identify the sources of competitive advantage like human capital, price discrimination, bundle pricing, and organizational culture for good performance. Since it is difficult to remain relevant in the market without identifying the social goals in an organization, such organizations should be familiar with the critical components of social entrepreneurship like the vision and mission. However, the vision and mission goals of the organization should come above the financial plan for efficacy and portrayal of the social aspect of the social business enterprise.

REFERENCES

- [1] Aidara S, Mamun A, Nasir N, Mohiuddin M, Nawi N, Zainol N. Competitive Advantages of the Relationship between Entrepreneurial Competencies and Economic Sustainability Performance. *Sustainability*. 2021;13(2):864.
- [2] Barazandeh M, Parvizian K, Alizadeh M, Khosravi S. Investigating the effect of entrepreneurial competencies on business performance among early-stage entrepreneurs Global Entrepreneurship Monitor (GEM 2010 survey data). *Journal of Global Entrepreneurship Research*. 2015;5(1).
- [3] Guritno P, Suyono H, Sunarjo S. Competency Model of Social Entrepreneurs. *International Journal of Research in Business and Social Science* (2147-4478). 2019;8(3):94-110.
- [4] Kreuzer C, Weber S. Modelling Opportunity Recognition Competence as a Foundation for Teaching and Learning in Vocational Education. *Vocations and Learning*. 2017;11(3):399-423.
- [5] Baggen Y, Kampen J, Naia A, Biemans H, Lans T, Mulder M. Development and application of the opportunity identification competence assessment test (OICAT) in higher education. *Innovations in Education and Teaching International*. 2017;1-11.
- [6] Arafeh L. An entrepreneurial key competencies' model. *Journal of Innovation and Entrepreneurship*. 2016;5(1).
- [7] Petrella F, Richez-Battesti N. Social entrepreneur, social entrepreneurship and social enterprise: semantics and controversies. *Journal of Innovation Economics*. 2014;14(2):143.
- [8] Verhoef P, Broekhuizen T, Bart Y, Bhattacharya A, Qi Dong J, Fabian N et, al. Digital transformation: A multidisciplinary reflection and research agenda. *Journal of Business Research*. 2021; 122:889-901.
- [9] Allan D. The rules of business transformation. *African Journal of Business Management*. 2020;14(10):447-456.
- [10] Cortellazzo L, Bruni E, Zampieri R. The Role of Leadership in a Digitalized World: A Review. *Frontiers in Psychology*. 2019;10.
- [11] Barney J, Arikian A. The Resource-based View. *The Blackwell Handbook of Strategic Management*. 2017;123-182.
- [12] Acedo F, Barroso C, Galan J. The resource-based theory: dissemination and leading trends. *Strategic Management Journal*. 2006;27(7):621-636.
- [13] Alvarez S, Barney J. Resource-Based Theory and the Entrepreneurial Firm. *Strategic Entrepreneurship*. 2017;87-105.
- [14] Kuncoro W, Suriani W. Achieving sustainable competitive advantage through product innovation and market driving. *Asia Pacific Management Review*. 2018;23(3):186-192.
- [15] Buul O, Omundi D. An Analysis of Competitive Strategies and Performance of Small and Medium Enterprises in Kenya: A Case of Nairobi Central Business District. *Journal of Business and Strategic Management*. 2017;2(2):72-94.
- [16] Tittel A, Terzidis O. Entrepreneurial competences revised: developing a consolidated and categorized list of entrepreneurial competences. *Entrepreneurship Education*. 2020;3(1):1-35.
- [17] Tehseen S, Ahmed F, Qureshi Z, Uddin M, T. R. Entrepreneurial competencies and SMEs' growth: the mediating role of network competence. *Asia-Pacific Journal of Business Administration*. 2019;11(1):2-29.
- [18] Murphy S. Mindshift for Managers: Change is Inevitable, Growth is Optional. *Home Health Care Management & Practice*. 1999;11(2):6-14.
- [19] Arenius P, Clercq D. A Network-based Approach on Opportunity Recognition. *Small Business Economics*. 2005;24(3):249-265.
- [20] Urban B. Social Networking and Opportunity Recognition: A Focus on Internationalized Firms in South Africa. *The Journal of Entrepreneurship*. 2019;28(2):295-315.
- [21] Omrane A, Fayolle A. Entrepreneurial competencies and entrepreneurial process: a dynamic approach. *International Journal of Business and Globalisation*. 2011;6(2):136.
- [22] Lim W, Lee Y, Mamun A. Delineating competency and opportunity recognition in the entrepreneurial intention analysis framework. *Journal of Entrepreneurship in Emerging Economies*. 2021; ahead-of-print(ahead-of-print).
- [23] Urban B. Opportunity recognition: delineating the process and motivators for serial entrepreneurs. *South African Journal of Economic and Management Sciences*. 2011;12(4):513-532.
- [24] Costa S, Santos S, Wach D, Caetano A. Recognizing Opportunities across Campus: The Effects of Cognitive Training and Entrepreneurial Passion on the Business Opportunity Prototype. *Journal of Small Business Management*. 2017;56(1):51-75.
- [25] Mustapha W, Al Mamun A, Mansori S, Balasubramaniam S. Effect of entrepreneurial

- competencies on micro-enterprises income and assets in Malaysia. *Asia Pacific Journal of Innovation and Entrepreneurship*. 2020;14(3):249-261.
- [26] Coffelt T, Grauman D, Smith F. Employers' Perspectives on Workplace Communication Skills: The Meaning of Communication Skills. *Business and Professional Communication Quarterly*. 2019;82(4):418-439.
- [27] Bucăța G, Rizescu A. The Role of Communication in Enhancing Work Effectiveness of an Organization. *Land Forces Academy Review*. 2017;22(1):49-57.
- [28] Dwivedi Y, Ismagilova E, Hughes D, Carlson J, Filieri R, Jacobson J et, al. Setting the future of digital and social media marketing research: Perspectives and research propositions. *International Journal of Information Management*. 2021; 59:102168.
- [29] Islami X, Mustafa N, Topuzovska Latkovikj M. Linking Porter's generic strategies to firm performance. *Future Business Journal*. 2020;6(1).
- [30] Samuel H, Siagian H, Octavia S. The Effect of Leadership and Innovation on Differentiation Strategy and Company Performance. *Procedia - Social and Behavioral Sciences*. 2017; 237:1152-1159.
- [31] Gebauer H, Gustafsson A, Witell L. Competitive advantage through service differentiation by manufacturing companies. *Journal of Business Research*. 2011;64(12):1270-1280.
- [32] Takeuchi H, Quelch J. Quality is more than making a good product [Internet]. *Harvard Business Review*. 2014 [cited 2021Nov26]. Available from: <https://hbr.org/1983/07/quality-is-more-than-making-a-good-product>
- [33] Li C, Li J. Achieving Superior Financial Performance in China: Differentiation, Cost Leadership, or Both? *Journal of International Marketing*. 2008;16(3):1-22.
- [34] Camilleri M. Market Segmentation, Targeting and Positioning. *Tourism, Hospitality & Event Management*. 2017;69-83.
- [35] Hosseini A, Soltani S, Mehdizadeh M. Competitive Advantage and Its Impact on New Product Development Strategy (Case Study: Toos Nirro Technical Firm). *Journal of Open Innovation: Technology, Market, and Complexity*. 2018;4(2):17.
- [36] Nielsen K, Nielsen M, Ogbonnaya C, Käsälä M, Saari E, Isaksson K. Workplace resources to improve both employee well-being and performance: A systematic review and meta-analysis. *Work & Stress*. 2017;31(2):101-120.
- [37] Widyawati S. The Influence of Employee Engagement, Self Esteem, Self-Efficacy on Employee Performance In Small Business. *International Journal of Contemporary Research and Review*. 2020;11(04).
- [38] Boxall P, Purcell J, Wright P. *Human Resource Management*. Oxford Handbooks Online. 2009;
- [39] Teece D, Pisano G, Shuen A. Dynamic capabilities and strategic management. *Strategic Management Journal*. 1997;18(7):509-533.
- [40] Soman D, Gourville J. Transaction Decoupling: How Price Bundling Affects the Decision to Consume. *Journal of Marketing Research*. 2001;38(1):30-44.
- [41] Thabit T, Raewf M. The Evaluation of Marketing Mix Elements: A Case Study. *International Journal of Social Sciences & Educational Studies*. 2018;4(4).
- [42] Folkes V. Consumer Reactions to Product Failure: An Attributional Approach. *Journal of Consumer Research*. 1984;10(4):398.
- [43] Willis K, Sheldon R. Research on customers' willingness-to-pay for service changes in UK water company price reviews 1994–2019. *Journal of Environmental Economics and Policy*. 2021;1-17.
- [44] Wertenbroch K, Skiera B. Measuring Consumers' Willingness to Pay at the Point of Purchase. *Journal of Marketing Research*. 2002;39(2):228-241.
- [45] Yoon E, Kijewski V. Dynamics of the relationship between product features, quality evaluation, and pricing. *Pricing Strategy and Practice*. 1997; 5(2):45-60.
- [46] Gurbuz E. Theory of New Product Development and Its Applications. *Marketing*. 2018.
- [47] Sharp B, Dawes J. What is Differentiation and How Does it Work? *Journal of Marketing Management*. 2001; 17(7-8):739-759.
- [48] Caves R, Williamson P. What is Product Differentiation, Really? *The Journal of Industrial Economics*. 1985; 34(2):113.
- [49] Barney J. Organizational Culture: Can It Be a Source of Sustained Competitive Advantage? *The Academy of Management Review*. 1986; 11(3):656.
- [50] Joseph O, Kibera F. Organizational Culture and Performance: Evidence from Microfinance Institutions in Kenya. *SAGE Open*. 2019; 9(1):215824401983593.
- [51] Genç K. Culture as a Strategic Resource for Organizations and an Assessment on Cultures

- of Turkish Large Firms. *Procedia - Social and Behavioral Sciences*. 2013; 75:525-531.
- [52] Srivastava M, Franklin A, Martinette L. Building a Sustainable Competitive Advantage. 2021.
- [53] Metz D, Ilieş L, Nistor R. The Impact of Organizational Culture on Customer Service Effectiveness from a Sustainability Perspective. *Sustainability*. 2020; 12(15):6240.
- [54] Tran S. GOOGLE: a reflection of culture, leader, and management. *International Journal of Corporate Social Responsibility*. 2017; 2(1).
- [55] Tsai Y. Relationship between Organizational Culture, Leadership Behavior and Job Satisfaction. *BMC Health Services Research*. 2011; 11(1).
- [56] Ayub Khan M, Smith Law L. The Role of National Cultures in Shaping the Corporate Management Cultures: A Three-Country Theoretical Analysis. *Organizational Culture*. 2018.
- [57] Rajapathirana R, Hui Y. Relationship between innovation capability, innovation type, and firm performance. *Journal of Innovation & Knowledge*. 2018; 3(1):44-55.
- [58] Woudstra U, Berghout E, Tan C, van Eekeren P, Dedene G. Resource Complementarity and IT Economies of Scale: Mechanisms and Empirical Evidence. *Information Systems Management*. 2017; 34(2):185-199.
- [59] Fridhi B. **RETRACTED ARTICLE**: Social entrepreneurship and social enterprise phenomenon: toward a collective approach to social innovation in Tunisia. *Journal of Innovation and Entrepreneurship*. 2021; 10(1).
- [60] Jones T. Instrumental Stakeholder Theory: A Synthesis of Ethics and Economics. *The Academy of Management Review*. 1995; 20(2):404.
- [61] [61] Buckley P. Internalisation Theory and Outward Direct Investment by Emerging Market Multinationals. *Management International Review*. 2017; 58(2):195-224.
- [62] Žukauskas P, Vveinhardt J, Andriukaitienė R. Corporate Social Responsibility as the Organization's Commitment against Stakeholders. *Management Culture and Corporate Social Responsibility*. 2018.
- [63] Taghian M, D'Souza C, Polonsky M. A stakeholder approach to corporate social responsibility, reputation and business performance. *Social Responsibility Journal*. 2015; 11(2):340-363.
- [64] Babiak K, Wolfe R. Determinants of Corporate Social Responsibility in Professional Sport: Internal and External Factors. *Journal of Sport Management*. 2009; 23(6):717-742.
- [65] García Martín C, Herrero B. Boards of directors: composition and effects on the performance of the firm. *Economic Research-Ekonomska Istraživanja*. 2018; 31(1):1015-1041.
- [66] Garzón Castrillón M. The concept of corporate governance. *Visión de Futuro*. 2021 ;(25, No 2 (Julio - Dic):178-194.
- [67] Latapí Agudelo M, Jóhannsdóttir L, Davídsdóttir B. A literature review of the history and evolution of corporate social responsibility. *International Journal of Corporate Social Responsibility*. 2019; 4(1).
- [68] Saebi T, Foss N, Linder S. Social Entrepreneurship Research: Past Achievements and Future Promises. *Journal of Management*. 2018; 45(1):70-95.
- [69] Defourny J, Marthe N. Fundamentals for an International Typology of Social Enterprise Models. *Voluntas: International Journal of Voluntary and Non-profit Organizations* 28, no. 6 (2017): 2469–97.
- [70] Huybrechts B, Nicholls A. Social Entrepreneurship: Definitions, Drivers and Challenges. *Social Entrepreneurship and Social Business*. 2012; 31-48.
- [71] Lubberink R, Blok V, van Ophem J, Omta O. Responsible innovation by social entrepreneurs: an exploratory study of values integration in innovations. *Journal of Responsible Innovation*. 2019; 6(2):179-210.
- [72] Lyon F, Fernandez H. Strategies for scaling up social enterprise: lessons from early years providers. *Social Enterprise Journal*. 2012; 8(1):63-77.
- [73] Ringberg T, Reihlen M, Rydén P. The technology-mindset interactions: Leading to incremental, radical or revolutionary innovations. *Industrial Marketing Management*. 2019; 79:102-113.
- [74] Serdyukov P. Innovation in education: what works, what does not, and what to do about it?. *Journal of Research in Innovative Teaching & Learning*. 2017; 10(1):4-33.
- [75] Collavo T. Unpacking Social Entrepreneurship: Exploring the Definition Chaos and Its Consequences in England. *Journal of Entrepreneurship, Management, and Innovation*. 2018; 14(2):49-82.
- [76] Beaton E, Dowin Kennedy E. Responding to failure: the promise of market mending for social enterprise. *Public Management Review*. 2021; 23(5):641-664.

- [77] Ko W, Liu G. The Transformation from Traditional Nonprofit Organizations to Social Enterprises: An Institutional Entrepreneurship Perspective. *Journal of Business Ethics*. 2020; 171(1):15-32.
- [78] Bielefeld, W. Issues in Social Enterprise and Social Entrepreneurship. *Journal of Public Affairs Education* 15, no. 1 2009: 69–86.
- [79] Abramson A, Billings K. Challenges Facing Social Enterprises in the United States. *Non-profit Policy Forum*. 2019; 10(2).
- [80] Yaari M, Blit-Cohen E, Savaya R. Management in social enterprises—Management style, challenges, and strategies. *Journal of General Management*. 2020; 46(1):36-46.
- [81] Powell M, Berry F. Introducing research insights into the third sector, social enterprise and public service delivery. *Public Management Review*. 2021; 23(5):633-640.
- [82] Parwez S. Community-based entrepreneurship: evidences from a retail case study. *Journal of Innovation and Entrepreneurship*. 2017; 6(1).
- [83] Phillips W, Alexander E, Lee H. Going It Alone Will not Work! The Relational Imperative for Social Innovation in Social Enterprises. *Journal of Business Ethics*. 2017; 156(2):315-331.
- [84] López-Cabarcos M, Göttling-Oliveira-Monteiro S, Vázquez-Rodríguez P. Organizational Capabilities and Profitability. *SAGE Open*. 2015;5(4):215824401561685.
- [85] Muñoz P, Kimmitt J. Social mission as competitive advantage: A configurational analysis of the strategic conditions of social entrepreneurship. *Journal of Business Research*. 2019; 101:854-861.
- [86] Abdulwase R, Ahmed F, Nasr F, Abdulwase A, Alyousofi A, Yan S. The role of business strategy to create a competitive advantage in the organization. *Open Access Journal of Science*. 2021;4(4):135-138.
- [87] Çetinkaya A, Niavand A, Rashid M. Organizational change and competitive advantage: business size matters. *Business & Management Studies: An International Journal*. 2019;7(3):40-67.
- [88] Fuertes G, Alfaro M, Vargas M, Gutierrez S, Ternero R, Sabattin J. Conceptual Framework for the Strategic Management: A Literature Review—Descriptive. *Journal of Engineering*. 2020:1-21.
- [89] Zainol N, Al Mamun A. Entrepreneurial competency, competitive advantage and performance of informal women micro-entrepreneurs in Kelantan, Malaysia. *Journal of Enterprising Communities: People and Places in the Global Economy*. 2018;12(3):299-321.
- [90] Mitchelmore S, Rowley J. Entrepreneurial competencies: a literature review and development agenda. *International Journal of Entrepreneurial Behavior & Research*. 2010;16(2):92-111.
- [91] Saebi T, Foss N, Linder S. Social Entrepreneurship Research: Past Achievements and Future Promises. *Journal of Management*. 2018;45(1):70-95.
- [92] Powell M, Osborne S. Social enterprises, marketing, and sustainable public service provision. *International Review of Administrative Sciences*. 2018;86(1):62-79.
- [93] Powell M, Osborne S. Can marketing contribute to sustainable social enterprise? *Social Enterprise Journal*. 2015;11(1):24-46.
- [94] Satar M, John S, Siraj S. Use of marketing in social enterprises. *International Journal of Social Entrepreneurship and Innovation*. 2016;4(1):16.
- [95] Yaari M, Blit-Cohen E, Savaya R. Management in social enterprises—Management style, challenges, and strategies. *Journal of General Management*. 2020;46(1):36-46.
- [96] Orhei L, Nandram S, Vinke J. Social entrepreneurship competence: evidence from founders of social enterprises in Romania. *International Journal of Entrepreneurship and Small Business*. 2015;25(1):80.
- [97] Orhei L, Nandram S, Vinke J. Social entrepreneurship competence: evidence from founders of social enterprises in Romania. *International Journal of Entrepreneurship and Small Business*. 2015;25(1):80.
- [98] Andersson R. Employee Communication Responsibility: Its Antecedents and Implications for Strategic Communication Management. *International Journal of Strategic Communication*. 2018;13(1):60-75.
- [99] Blazenaite A. Effective Organizational Communication: in Search of a System. *Social Sciences*. 2012;74(4).
- [100] Sabella A, Eid N. A Strategic Perspective of Social Enterprise Sustainability. *Journal of General Management*. 2016;41(4):71-89.