



Does Social Entrepreneurial Orientation Drive Pro-Social Behavior and Social Entrepreneurial Intention?

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Abstract. This research aimed to clarify the way social entrepreneurial orientation drives pro-social behavior as well as social entrepreneurial intention. This research was a cross-sectional survey with a questionnaire as a research instrument. Using purposive sampling, data was collected from 135 master program students who had started entrepreneurship projects. Students who have embarked on entrepreneurship projects are expected to act as social entrepreneurs. In order to analyze the data and test the outer and inner models, this study used PLS-SEM. The outer model was tested to verify the reliability and the construct validity (i.e., convergent validity) of each construct. The results show that each construct achieved convergent validity and reliability. The inner model was tested to examine the relationships among constructs. Regarding the inner model, social entrepreneurial orientation influenced social entrepreneurial intention directly and indirectly through pro-social behavior. This research provides a theoretical implication with respect to the theory of planned behavior within a social entrepreneurship context. It also implies for educators of entrepreneurship.

Keywords: Social Entrepreneurial Orientation, Pro-Social Behavior, Social Entrepreneurial Intention, PLS-SEM.

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1 Introduction

Entrepreneurship has contributed significantly to economic growth [1-3], even over the last 25 years [3]. Specifically, entrepreneurial activity influences economic growth [1-3]. Entrepreneurial activity is carried out by entrepreneurs [4]. Indeed, entrepreneurs essentially take personal initiative to establish or manage new ventures [5]. Through

the new ventures, they contribute by creating new jobs and delivering innovative products and services [6]. Hence, entrepreneurs are often seen as key drivers or catalysts for economic growth [7].

Drawing upon the theory of planned behavior (TPB) [8], an entrepreneurial activity that entrepreneurs carry out [4] can be viewed as entrepreneurial behavior or entrepreneurial action (i.e., starting a business) [5, 9, 10]. Moreover, still based on TPB [8], entrepreneurial intention (i.e., intention of starting a business) is considered a good predictor of entrepreneurial behavior [9, 10]. In the social entrepreneurship context, social entrepreneurial intention (i.e., an intention to set up a social-based business or a social venture) is recognized as a good predictor of social entrepreneurial behavior (i.e., starting a social venture) [11, 12]. Individuals with a high social entrepreneurial intention are likely to realize social entrepreneurial behavior [11, 12; cf. 9, 10]. That is why entrepreneurship can be recognized as an intentional behavior [9, 10]. There is a necessity to understand the variables that have the ability to affect social entrepreneurial intention in order to grasp social entrepreneurial behavior well [11, 12]. In line with previous studies [11-13], this study focuses on social entrepreneurial orientation and pro-social behavior as the determinants of social entrepreneurial intention.

2 Literature Review and Research Hypotheses

An individual's social entrepreneurial orientation, hereinafter referred to as social entrepreneurial orientation, is a construct derived from individual entrepreneurial orientation [12-14]. While individual entrepreneurial orientation is "individuals' tendency to behave entrepreneurially" [12], social entrepreneurial orientation is "individuals' tendency to behave entrepreneurially" [12] in social entrepreneurial activities [13, 14]. Pro-social behavior involves voluntary actions by an individual that aim to benefit others [11, 12], whereas the aspiration to establish a social enterprise is referred to as social entrepreneurial intention [11, 12].

Social entrepreneurial orientation directly influences social entrepreneurial intention [13] because a high social entrepreneurial orientation may strongly encourage an individual to engage in social entrepreneurial activities (e.g., solving social problems) [cf. 11-13]. On the other hand, pro-social behavior can also directly influence social entrepreneurial intention [11, 12] because individuals who voluntarily provide themselves to help others tend to have a desire to solve social problems [11, 12]. Furthermore, social entrepreneurial orientation can directly influence pro-social behavior [11, 12]. For example, individuals with a high social entrepreneurial orientation have a tendency to be more proactive and innovative in voluntarily solving social problems [cf. 12] and more passionate about social missions [11]. Considering the previous points, we propose these research hypotheses:

H1. Social entrepreneurial orientation influences pro-social behavior.

H2. Social entrepreneurial orientation influences social entrepreneurial intention.

H3. Pro-social behavior affects social entrepreneurial intention.

3 Method

This research was carried out within one year using a cross-sectional design. Using purposive sampling, the subjects were students of master's programs at two universities in the province of East Java, Indonesia, who had started entrepreneurship projects. The stronger the student's (individual) entrepreneurial orientation, entrepreneurial intention, and pro-social behavior, the stronger the student's engagement in starting entrepreneurship projects [cf. 15]. Students who have started entrepreneurship projects, in turn, are expected to act as social entrepreneurs in the future. The sample size was 135 students.

The data was collected through a questionnaire handed out via Google Forms. The questionnaire contained items from standard scales adapted in the Indonesian version by previous studies [11]. The Indonesian version scales met psychometric properties (i.e., validity and reliability). Social entrepreneurial orientation comprises four dimensions, namely innovativeness, risk-taking, proactiveness, and social entrepreneurial passion [13, 14]. The first three dimensions were measured using the Indonesian version of 13 items [16], while social entrepreneurial passion was measured using the Indonesian version of three items [11]. Pro-social behavior and social entrepreneurial intention were measured using the Indonesian version of five and six items, respectively [12]. The collected data was tested using PLS-SEM, a method designed to handle the study with a small sample size and prioritize the prediction of endogenous variables. [17, 18]. PLS-SEM was conducted to examine the outer and inner models [17, 18]. The outer model was intended to verify the reliability and the construct validity (i.e., convergent validity) of each construct, while the inner model was intended to test the hypotheses [17, 18].

4 Results

4.1 Outer Model

Reliability was examined based on composite reliability as well as Cronbach's alpha. They were above the recommended value of 0.7, stipulating that the reliability of each construct was achieved [17, 18] (see Table 1). All factor loadings were significant at a level of significance of 1% (see Table 1), indicating that the convergent validity of each construct was achieved [17, 18]. Table 1 shows that the AVE of pro-social behavior and social entrepreneurial intention exceeded the recommended value of 0.5. It indicates the fulfilment of convergent validity of pro-social behavior and social entrepreneurial intention [17, 18]. However, the AVE of social entrepreneurial orientation was below the cut-off value of 0.5, but it was still acceptable because it was close to 0.5 [see 17, 18].

Table 1. Outer Model

Construct and associated items	Factor loading	p-value	Composite Reliability	Cronbach's alpha	Average variance
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			extracted (AVE)
Social Entrepreneurial Orientation (SEO)			0.393
		0.910	0.894
INNOV1	0.622	0.000	
INNOV2	0.719	0.000	
INNOV3	0.347	0.001	
INNOV4	0.648	0.000	
RISK1	0.610	0.000	
RISK2	0.523	0.000	
RISK3	0.667	0.000	
RISK4	0.534	0.000	
PROACT1	0.686	0.000	
PROACT2	0.679	0.000	
PROACT3	0.717	0.000	
PROACT4	0.698	0.000	
PROACT5	0.635	0.000	
SOCPASS1	0.660	0.000	
SOCPASS2	0.617	0.000	
SOCPASS3	0.567	0.000	
Pro-social behavior (PROSBX)			0.656
		0.905	0.868
PROSBX1	0.761	0.000	
PROSBX2	0.786	0.000	
PROSBX3	0.878	0.000	
PROSBX4	0.759	0.000	
PROSBX5	0.859	0.000	
Social entrepreneurial intention (SOCEILC)			0.754
		0.946	0.932
SOCEILC1	0.847	0.000	
SOCEILC2	0.869	0.000	
SOCEILC3	0.856	0.000	
SOCEILC4	0.884	0.000	
SOCEILC5	0.860	0.000	
SOCEILC6	0.864	0.000	

4.2 Inner Model

Before testing the hypotheses, collinearity was verified by the variance inflation factor (VIF) [17, 18]. The VIFs ranged from 1.00 and 1.32, in which they were lower than a cut-off value of 3.0 [17, 18]. Therefore, the inner model was free from collinearity, and path coefficient values (and p-values) were also free from bias [17, 18]. The next step was examining the explained variance of the endogenous construct by using R-square (or coefficient of determination) [17, 18]. As shown in Figure 1, the R-square values of pro-social behavior and social entrepreneurial intention were 0.242 and 0.479,

respectively. The R-square value of 0.242 means that the total variation in pro-social behavior explained by social entrepreneurial orientation was around 24.2%, and it was categorized as a low level of prediction. Next, an R-square value of 0.479 indicates that approximately 47.9% of the variation in social entrepreneurial intention can be attributed to social entrepreneurial orientation and pro-social behavior, and it was categorized as a medium level of prediction [17, 18]. As shown in Table 2 and Figure 1, all hypotheses were supported. Social entrepreneurial orientation positively influenced pro-social behavior (H1) and drove social entrepreneurial intention (H2). Pro-social behavior affected social entrepreneurial intention in a positive direction (H3). In addition, social entrepreneurial orientation was found to influence social entrepreneurial intention directly ($\beta = 0.555$, $p = 0.000$) and indirectly through pro-social behavior ($\beta = 0.11$, $p = 0.016$); the direct path-coefficient was greater than the indirect path-coefficient.

Table 2. Inner Model

Hypothesis	Path	Path Coefficient	t-value	p-value	Result
H1	SEO -> PROSBX	0.492	8.954	0.000	Supported H1
H2	SEO -> SOCEILC	0.555	8.708	0.000	Supported H2
H3	PROSBX -> SOCEILC	0.223	2.639	0.009	Supported H3

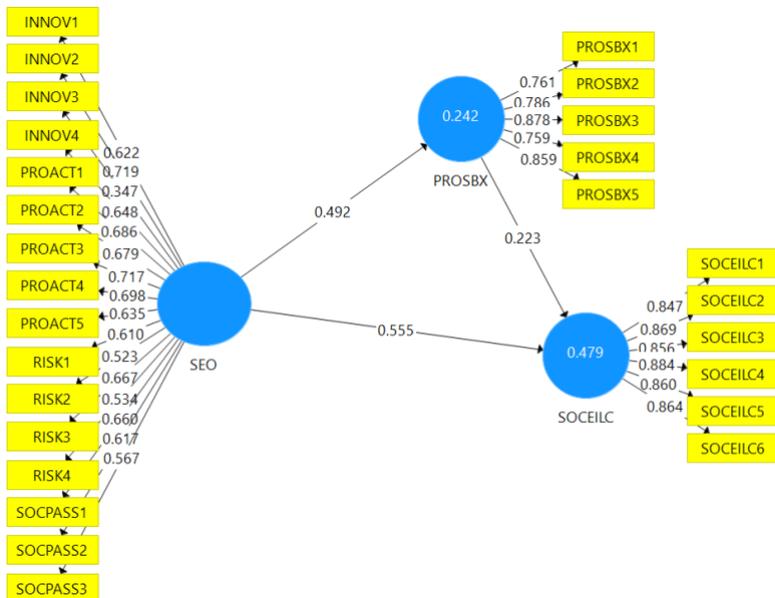


Fig. 1. The Empirical Model

5 Discussion

The findings supported all hypotheses. Social entrepreneurial orientation has been shown to directly influence social entrepreneurial intention, meaning that the higher an individual's social entrepreneurial orientation, the more likely they are to have the intention to set up a social-based business [11-13]. This social entrepreneurial orientation encompasses, for example, innovativeness and proactiveness in solving social problems [13, 14]. An empirical study by ref. [13] shows that individuals with a strong social entrepreneurial orientation are more driven to establish social ventures to create positive social impact [11-13]. Therefore, this social entrepreneurial orientation is a key predictor in determining whether or not an individual will pursue a career as a social entrepreneur [see 11-13].

In addition to direct influence, social entrepreneurial orientation indirectly affects social entrepreneurial intention via pro-social behavior. Individuals with high social entrepreneurial orientation tend to have an orientation for the social needs around them, which then encourages them to behave pro-socially (e.g., helping others) [11, 12]. Like social entrepreneurial orientation, pro-social behavior affects social entrepreneurial intention [11, 12]. Individuals with high pro-social behavior tend to be focused on helping others, which encourages them to intend to start a social venture to help others [11-13].

Therefore, social entrepreneurial orientation influenced social entrepreneurial intention and indirectly through pro-social behavior. The positive relationship between social entrepreneurial orientation and social entrepreneurial intention was partially mediated by pro-social behavior. It means that the direct effect was more substantial than the indirect effect, in which social entrepreneurial orientation still directly influences and will more significantly impact social entrepreneurial intention, and at the same time, pro-social behavior contributes to the impact [see 19]. Specifically, the strong tendency of individuals in social entrepreneurial orientation encourages these individuals to behave pro-socially (for example, providing benefits to fellow humans). It strongly encourages individuals' intention to participate in social entrepreneurship [11, 12]. The findings are consistent with prior studies [11, 12].

In line with previous studies [11, 12], this study has a theoretical implication regarding TPB [8] in the view of social entrepreneurship. The findings extend TPB, in which social entrepreneurial intention is a part of TPB, and social entrepreneurial orientation and pro-social behavior are the essential predictors of social entrepreneurial intention. Furthermore, social entrepreneurial orientation at the individual level of analysis (instead of the organizational level) [13-15] is suitable for being an element of the TPB, where the TPB itself is essentially for the individual level. In line with previous studies [11, 12], this study provided a practical implication for entrepreneurship educators. They are expected to map participants' characteristics regarding their social entrepreneurial orientation, pro-social behavior, and social entrepreneurial intention before recruiting participants in the social entrepreneurship program.

6 Conclusion and Future Research Directions

This study clarifies the way social entrepreneurial orientation drives pro-social behavior and social entrepreneurial intention. The findings confirmed that all hypotheses were supported. Specifically, the positive relationship between social entrepreneurial orientation and social entrepreneurial intention is partially mediated by pro-social behavior. However, limitations and directions for future studies are inherent to this research. First, using a cross-sectional design, the findings of this study do not indicate a causal relationship; therefore, future research is expected to conduct an experimental design [11]. Second, this study examined a small sample size of respondents; therefore, future researchers are expected to examine a large sample size of participants to increase the generalization of findings. Third, referring to TPB [8], future researchers are also expected to examine an action variable (i.e., social entrepreneurial behavior) instead of social entrepreneurial intention.

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Competing Interests. All authors declare that they have no competing interests.

Data Availability Statement. The corresponding author can provide the data of this study upon reasonable request.

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