

# Resource Utilization and Innovation in Social Entrepreneurship: Cases from Egypt

## Abstract

**Purpose** – This study explores the resource utilization and innovative processes of social entrepreneurial activities. This research addresses social entrepreneurship by empirically examining the phenomenon in the particular context of Egypt. Guided by a theoretical framework, this study makes a contribution to the understanding of the processes of social venture creation, the innovative utilization of resources to achieve social goals and objectives.

**Design/Methodology/Approach** – Guided by the initial framework derived from relevant social entrepreneurship and social innovation literature, the authors started a pilot study to examine social entrepreneurs' behavior about social innovation practices and resources utilization. The modification to pure induction recommended by Lindsay (2004) allows for both preparatory review of previous research (Easter-by Smith *et al.*, 2002), and familiarization with the research setting to increase the relevance of the data. The authors collected data in the form of structured interviews. Intended as an orientation period before the development of a complete research strategy and 25 interviews schedules. The openness of this approach allows for the emergence of further issues that are of current concern to the study's participants (Kirk and Miller, 1986; Easter-By Smith *et al.*, 2002). 13 interviews were conducted with social entrepreneurs, founding team members and other highly placed executives in five social enterprises. In addition, industry experts were also interviewed in order to obtain a more holistic picture of the social entrepreneurship phenomenon in Egypt.

**Findings** – Analysis of findings of this research revealed that understanding the utilization of social, human and financial capital in social entrepreneurship in Egypt provided rich insights into the role of innovation in social venture creation process. A within case and cross case analysis suggested that innovative resource orchestration processes (including network building) enabled Egyptian social entrepreneurs create legitimacy and support their ventures.

**Practical Implications** – This study offers useful and practical insights for current and future social entrepreneurs, particularly in developing countries. Furthermore, the study contributes to expanding future research on social entrepreneurship in similar context.

**Originality/Value** – This research contributes to knowledge by integrating literature of social entrepreneurship and innovation. It illustrates how social entrepreneurs developed a unique ability to combine their resources and skills to increase legitimacy, trust and reputation which in turn helps social value creation and social change. The social innovation enhances the social entrepreneurs' creativity and ability to orchestrate tangible and intangible resources to produce the desired outcomes. This study contributes to expand future research of social entrepreneurship for other developing countries contexts.

**Keywords** – Egypt, Emerging Countries, Human Capital, Social Capital, Financial Capital, Social Innovation, Resources Utilization, Social Entrepreneurship

**Paper Type** – Research Paper

## References

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