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EXPLORING POTENTIAL ENTRANTS' PERCEPTIONS OF THE PERFORMANCE OF AN AGRIRURAL SOCIAL ENTERPRISE IN TAIWAN

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ABSTRACT

Attention towards the agrirural social enterprise (SE) in Taiwan has increased, and optimisation for organisational performance has become crucial. Numerous agrirural service organisations have demonstrated their transforming intentions and potentials. In this study, a new self-report SE performance questionnaire, which is easy to administer and empirically valid, was developed. To explore the perceived performance of agrirural SE potential entrants, the agrirural SE performance can be assessed on the basis of four dimensions: personal issues, the social aspect, the business side, and service programmes. The results revealed that the length of time of engaging in SE predicted the three dimensions: personal issues, the social aspect, and the business side. The experience in operation function predicted the perceived performance of personal issues; the experiences in finance and accounting (F&A) and information system functions predicted the perceived performance of the social aspect and business side; and the experience in F&A function predicted the perceived performance of service programmes.

Keywords: Agrirural, Agrirural social enterprise, Operation function, Perceived performance, Potential entrant, Social enterprise performance.

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Contribution/ Originality

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1. INTRODUCTION

The social enterprise (SE) movement is growing worldwide. SEs are businesses with the primary purpose of advancing the common good; entrepreneurs use the methods and disciplines of business and the power of the marketplace to advance social, environmental, and human justice agendas (Vitiello and Wolf-Powers, 2014). SEs create nonprofit sector jobs, foster workforce development, and help people in generating supplemental income, often by strengthening ties between growers and the formal economy and by building social capital (Social Entrepreneurship Awards Toolkit, 2014). In short, SEs use the environment and people to create positive changes.

Agriculture was once the most crucial industry in Taiwan. Because of rapid economic development in previous decades, the gross domestic product of Taiwan increased significantly, whereas the agricultural contribution dropped dramatically. From 1992 to 2012, the agricultural population declined from 1 million to 540,000. In 2012, the average age of farmers was 63 years, which reveals the critical problem that the farming generation is facing in rural Taiwan. The agricultural sectors in Taiwan are primarily composed of farmers who produce and sell their products on their own. Their main sales channels are wholesalers, distributors, and end consumers. Currently, many farmers are deprived of economic opportunities, fair employment and wages, and access to basic services (Chen and Liang, 2015; Wang and Liang, 2015).

Recently, attention towards the development of agrirural SEs in Taiwan is increasing. With the increasing implementation of managerial practices, optimisation for organisational performance has become crucial. The UnLtd toolkit offers a comprehensive guide to assess SE performance (SEAT, 2014). This toolkit is generally classified into three main dimensions: personal issues, the social aspect, and the business side. Moreover, service programmes provided by social enterprises are considered as a crucial activity of an SE (Marshall and Beachy, 2010) and entrepreneurs are a major factor in understanding the operation of an SE (Bird *et al.*, 2012). In addition, the length of time that an SE operates and the business functions performed are expected to affect the perception towards organisational performance (Boyer *et al.*, 2008).

Until recently, few agrirural SEs had been established in Taiwan, but numerous agrirural service organisations have demonstrated their transforming intentions and potentials. Therefore, this study was conducted to explore the perceptions of these potential entrants towards the performance of an agrirural SE in Taiwan. The following research questions were addressed in this study:

1. What are the dimensions of agrirural SE performance that must be assessed?
2. How does the length of time that potential entrants engage in SEs influence their perceptions towards agrirural SE performance?
3. How do the business functions performed by potential entrants influence their perceptions towards agrirural SE performance?

The results of this study may be beneficial for potential entrants in starting up an agrirural SE in Taiwan. This study may also lead to a deep understanding of the particular strategies necessary for supporting entrepreneurs of agrirural SEs.

2. LITERATURE REVIEW

2.1. Social Entrepreneurship

An SE is defined as a business with social objectives as the primary goal, and, therefore, surpluses are principally reinvested in the business or community rather than maximising the profit for shareholders and owners (DTI Social Enterprise Unit, 2003). The term 'social entrepreneurship' indicates organisations with the purpose of connecting social mission and entrepreneurial action (Boschee, 2001; Oster *et al.*, 2004; Tracey and Phillips, 2007). This means that the purpose of social entrepreneurship is to resolve or relieve social problems, and the activities of social entrepreneurs are mainly financed through entrepreneurial actions in the market (Pearce, 2003; Phillips, 2006). Because of the dual-targeted characteristic, social entrepreneurship often exists in three common sectors: nonprofit, for-profit, and governmental.

The term 'social entrepreneurship' has two definitions. Broadly, everything that helps to resolve social problems is social entrepreneurship. Social entrepreneurship refers to innovative activities with a social objective in either the for-profit or nonprofit sector, or across sectors, such as hybrid structural forms that mix for-profit and nonprofit approaches (Austin *et al.*, 2006). Specifically, social entrepreneurship refers to the activity of SEs. Social entrepreneurship is concerned with enterprises with a social purpose and involves building organisations that have the capacity to be both commercially viable and socially constructive (Boschee, 2001; Oster *et al.*, 2004; Tracey and Phillips, 2007). The underlying drive for social entrepreneurship is to create social value rather than wealth for the entrepreneur and the shareholders (Austin *et al.*, 2006; Achleitner *et al.*, 2009).

2.2. Performance of an SE

Social entrepreneurs are expected to generate profits, proving that they create a measurable positive change in and improve, or at least not damage, human society. This means that they need to adopt the three Ps: profit, people, and planet (SEAT, 2014). The goals and success of an SE are, thus, often set and measured by others, or at least developed with the close support of others. The UnLtd toolkit offers a comprehensive guide for developing an SE. This toolkit assesses the development of an SE from three aspects: personal issues, the social aspect, and the business side (SEAT, 2014).

Regarding personal issues, Marshall and Beachy (2010) emphasised the crucial role that human resources play in an SE. Using the sociological method of structured observation, Mueller *et al.* (2012) investigated the typical behavior of six entrepreneurs at the start-up stage, in addition to another six entrepreneurs at the growth stage. Their results suggested the existence

of both commonalities and differences between these two stages regarding their activities, functions, communication, and exploration versus exploitation. Furthermore, several studies have identified the crucial aspects of human resources in an SE that include internal knowledge, tie strength, entrepreneurial orientation, and entrepreneurial intensity (De Clercq *et al.*, 2013; Kreiser *et al.*, 2013).

Regarding the social aspect, previous studies have indicated that an SE focuses on obtaining entrepreneurial rents, while simultaneously improving social and environmental conditions both locally and globally (Cohen and Winn, 2007; Dean and McMullen, 2007; Zahra *et al.*, 2014). Corner and Ho (2010) studied the identification of opportunity in the social entrepreneurship literature and observed that SE practitioners tend to identify social need and generate prospective ideas for resolving it. York and Venkataraman (2010) indicated that SE practitioners contribute towards solving environmental problems by assisting extant institutions in achieving their goals, and by creating new and sustainable products, services, and institutions. Marshall and Beachy (2010) further stressed that innovation is a critical factor in making SE contribution unique.

Regarding the business side, Meyskens *et al.* (2010) studied the characteristics of 70 social entrepreneurs in relation to their social value creation and demonstrated that significant relationships existed among the measures of partnerships, financial capital, innovativeness, organisational structure, and knowledge transferability. Marshall and Beachy (2010) identified that the factors influencing the performance of an SE include culture, external relations, financial development, financial systems, human resources, infrastructure, innovation, organisational aspirations, organisational structure, organisational skills, and organisational strategies. De Clercq *et al.* (2013) further indicated that higher levels of internal knowledge sharing in relation to stronger entrepreneurial orientation result from higher levels of trust and goal congruence.

In addition, service programmes provided by social enterprises are considered as a critical activity of an SE (Marshall and Beachy, 2010). York and Venkataraman (2010) confirmed that social entrepreneurs can contribute towards resolving socioeconomic problems by creating additional environmentally sustainable services. Furthermore, Kreiser *et al.* (2013) indicated that an increase in the number of social ties is positively associated with founding programmes and social competence reinforces the positive relationship between an increase in the number of social ties and founding programmes.

2.3. Potential of Agrirural SEs in Taiwan

The UK-wide mapping work on SEs helps in identifying the scale and nature of an SE in rural areas by providing baseline research (DTI Social Enterprise Unit, 2003). One of the major contributions of the community-building domain to wider conversations on development is its focus on the social contexts of change. Both rural development and community building are based on the insight that social contexts are highly relevant; ultimately, there is no disembodied process of development, but only a social change process that involves real people and institutions in and

across real places who work (or do not work) together and seek (or resist) particular types of change (Eversole *et al.*, 2013).

In this study, we have not only explored the dimensions of an agrirural SE performance, but also analysed the possible influences of potential entrants' preparation for social change. The experiences gained in SEs and the types of business function performed are identified as the critical success characteristics for start-up social and environmental enterprises (Boyer *et al.*, 2008). Moreover, Boyer *et al.* (2008) held that leadership, market knowledge, product and service development, marketing strategy, financial management, technology and infrastructure, partnership development, and legal and funding environments are the crucial factors contributing to the successful growth of a start-up enterprise. In particular, Boyer *et al.* highlighted business planning, marketing, benefit and risk management, network and synergy creation, human resources development, and technical support as the critical success factors for social and environmental enterprises.

Agriculture has played an imperative role in food provision in Taiwan. Nevertheless, inexpensive agricultural land is often chosen for developing industrial areas or public facilities. However, presently Taiwan is facing an imminent food crisis because the food self-sufficiency ratio is only 32%. Building agrirural SEs is an approach to assisting rural organisations and communities in identifying a sustainable method to continue building strong rural regions. The concept of agrirural SEs is not new; organisations formed by local community organisations have engaged in rural services for decades. Over past years, bottom-up rural development has become a prevailing approach in Taiwan; however, the concepts and practices of an agrirural SE seem promising for increasing the opportunities for traditional rural communities.

3. METHOD

To fulfil the purpose of this study, a 37-item web-based questionnaire regarding potential entrants' perceptions towards agrirural SE performance was developed. The questionnaire was adopted from the SEAT (2014) and the study of Marshall and Beachy (2010). The business functions performed included seven dimensions: operation, marketing, human resources, research and development (R&D), finance and accounting (F&A), information system (IS), and logistics and administration. The questionnaire items were scored on a 6-point Likert type scale ranging from 1 (*strongly disagree*) to 6 (*strongly agree*).

In this study, 426 participants were recruited online as a calibration sample to analyse the factor structure of questionnaire items by using exploratory factor analysis (EFA). The participants recruited in this study were the leaders of agrirural service organisations, which are the potential entrants to transform agrirural SEs. Most of the participants were male (61.5%). Regarding participant engagement in SEs, 85.7% reported interest, but no previous experience; 3.1% had been engaged in SEs for 0 to 1 year; 0.9% had been engaged in SEs for 1 to 2 years; 2.8% had been engaged in SEs for 2 to 5 years; and 7.5% had been engaged in the SEs for over 5

years. Similarly, regarding the business functions of the participants engaged in SEs, 54.9% were involved in operation tasks; 63.1% were involved in marketing tasks; 47.4% were involved in human resource management; 54.2% were involved in R&D; 43.0% were involved in F&A; 55.6% were involved in IS; and 57.3% were involved in logistics and administration. Participation in this study was voluntary, confidential, and anonymous.

The Survey Monkey tool was used in this study because the programme was both easy to use and economical. The disadvantages of a survey conducted using the Internet involve contacting people in the target population and ensuring that the survey is completed. To mitigate the disadvantages, the questionnaire was sent via email, which provided an easy and immediate means of response for the participants. Over 1,000 agrirural service organisations were recruited from the Council of Agriculture in Taiwan. This survey was conducted during October and November, 2014. The results were delivered in aggregate and anonymous form and the data remained private.

4. RESULTS AND DISCUSSION

4.1. Descriptive Analysis

The data were analysed using SPSS Version 17.0. The measured items were organised through item analysis of the mean range of agrirural SE performance (4.279 to 5.216), standard deviation (.636 to 1.006), skewness (-.921 to .148), Kurtosis (-.823 to 2.133), and extreme value test results (9.462 to 25.813) of the data acquired during the formal survey. The results indicated that the questionnaire is acceptable, without ambiguous or misleading items.

4.2. Exploratory Factor Analysis

The Kaiser–Meyer–Olkin measure in this study was 0.876. Bartlett's test of sphericity indicated significant results ($\chi^2 = 8850.116$, $df = 666$, $p < .005$). Both analyses indicated that the sampling was adequate to proceed to factor analysis. A principal axis factoring (PAF) analysis with promax rotation was conducted to determine the dimensionality of the SE performance questionnaire. On the basis of the suggestions of [Tabachnick and Fidell \(2001\)](#) the four-factor solutions (eigenvalues >1) with explained variables of 44.957% provided the optimal factor structure, both conceptually and statistically.

Factor 1 constituted items related to entrepreneur and human resources, and was named 'personal issues'. Factor 2 constituted items related to social problems, contributions, and supports, and was named the 'social aspect'. Factor 3 constituted items related to organisational structure, resources, and operation, and was named the 'business side'. Factor 4 constituted items related to service programme design and delivery, and was named 'service programmes'. The Cronbach's α values of Factors 1, 2, 3, and 4 are .850, .864, .886 and .848, respectively. The h-value of internal consistency indicated that the developed scale had appropriate reliability

estimates. The results of PAF, *M*, *SD*, and Cronbach's α are listed in Table 1. The correlation coefficients among the four factors ranged from .458 to .626 (see Table 2).

Table-1. The PAF, M, SD, and Cronbach's α of the SE performance questionnaire ($n = 426$)

Factor/item	PAF	<i>M</i>	<i>SD</i>	α
Personal issues	—	4.67	.564	.850
1. Social entrepreneurs have a driving force to improve human society.	.650	4.62	.783	.835
2. Social entrepreneurs have concrete resolutions in dealing with particular social problems.	.402	4.55	.790	.838
3. The charisma of social entrepreneurs leads to their enterprises being supported by the public.	.679	4.51	.918	.833
4. An SE represents its operator's aspirations and career goal.	.789	4.42	.846	.827
5. Social entrepreneur consider realistic profit.	.490	4.52	.871	.842
6. The greater members' understanding of the meaning of SEs is, the greater organisational development is.	.804	4.83	.899	.821
7. The greater members' understanding of the concept of SEs is, the greater the contribution of innovative development is to the organisation.	.385	4.91	.838	.838
8. All levels of members generate positive energy because of the operation mode of an SE.	.500	4.69	.780	.837
9. Recruiting experienced SE operators is beneficial for the development of an SE.	.374	4.93	.786	.837
Social aspect	—	4.74	.553	.864
10. Causing positive societal changes is the contribution of promoting SEs.	.306	5.09	.741	.862
11. Providing improvement methods for specific social problems is the contribution of promoting SEs.	.459	4.81	.681	.849
12. Providing public education for specific social problems is the contribution of promoting SEs.	.473	4.66	.829	.846
13. Shaping public service ethos is the contribution of promoting SEs.	.494	4.70	.753	.847
14. Gaining public recognition and support is the contribution of promoting SEs.	.552	4.66	.738	.848
15. Gaining media attention and creating a social movement is the contribution of promoting SEs.	.735	4.40	.892	.851
16. Providing an innovative operation model that can be extended or learned is the contribution of promoting SEs.	.827	4.73	.888	.836
17. Improving cooperation networks among business sectors is to the contribution of promoting SEs.	.834	4.62	.836	.841
18. Innovative strategies for social (or environmental) changes are necessary for the operation of SEs.	.415	4.94	.810	.860
Business side	—	4.89	.526	.886
19. SEs must set a clear target market.	.572	4.93	.838	.877
20. SEs must have a clear business model for commercial gain.	.739	4.81	.882	.879
21. SEs must consider the basic profit and the cost structure of the organisation.	.772	5.04	.808	.873
22. SEs must recruit appropriate manpower.	.454	4.92	.793	.879
23. SEs must improve financial management to reduce organisational risks.	.670	5.22	.636	.874
24. SEs must have an organisational structure that can support	.724	5.05	.731	.872

healthy functioning.				
25. SEs must have cooperation networks among business sectors.	.656	4.95	.759	.874
26. SEs must be legally established.	.533	4.70	.981	.885
27. SEs must have a thorough plan for resource fundraising.	.645	4.72	.808	.873
28. SEs must make effective investments.	.448	4.28	1.01	.887
29. SEs must have a feasible procedure for using enterprise resources.	.563	5.00	.745	.877
30. SEs must research and develop innovative service programmes that have social value.	.377	4.99	.764	.879
31. SEs must have a thorough marketing plan for service programmes.	.542	4.96	.704	.875
Service programmes	—	4.76	.644	.848
32. Recruiting volunteers, interns, or disadvantaged groups to participate in service programmes is a crucial task of SEs.	.458	4.69	.875	.845
33. Creating service programmes with disadvantaged groups is a crucial task of SEs.	.566	4.81	.846	.839
34. Gaining public recognition for service programmes is a crucial task of SEs.	.801	4.81	.805	.805
35. Creating and promoting service programmes compatible with the parent organisation or institution is a crucial task of SEs.	.839	4.71	.841	.800
36. Creating and promoting service programmes by revitalising the existing organisation is a crucial task of SEs.	.834	4.70	.831	.810
37. Improving interaction among the community, customers, and enterprise is a crucial task of SEs.	.479	4.86	.925	.836

Table-2. The correlation coefficients between four factors of the SE performance questionnaire ($n = 426$)

Factor/item	Personal issues	Social aspect	Business side	Service programs
Personal issues	1			
Social aspect	.626	1		
Business side	.516	.520	1	
Service programs	.458	.459	.521	1

* $p < .05$.

The results concurred with previous studies (Dean and McMullen, 2007; Meyskens *et al.*, 2010; De Clercq *et al.*, 2013; Kreiser *et al.*, 2013) and indicated that the performance of agrirural SEs can be assessed on the basis of the four dimensions: personal issues, the social aspect, the business side, and service programmes. Personal issues refer to the driving force, leadership, and charisma of entrepreneurs, and the shared knowledge, orientation, and intensity of human resources in an agrirural SE. The social aspect refers to the contributions of an SE to improving local and global environmental conditions and effecting positive agrirural changes through addressing particular agrirural needs, proposing promising solutions, creating public awareness and social movements; and helping extant institutions in achieving their goals by amplifying cooperation networks among business sectors; and creating innovative and sustainable products, services, and institutions. The business side refers to the organisational capacity that enables desired actions to resolve particular agrirural problems, which include human resources (e.g., innovation and knowledge transferability), financial resources (e.g., financial plans and system),

organisational structure (including infrastructure), organisational culture, business model, and operational strategies (including target market and marketing plan), external relations, and legal and regulatory environment. Lastly, service programmes refer to the design and delivery of service programmes that contribute to resolving agrirural problems by increasing the social ties among enterprise, customers, community, and the public.

Until now, the case study method employed to investigate social return on investment (SROI) has primarily been used to measure the social impact of an SE. However, the data collected from the case studies cannot necessarily be generalised to the wider population, and it is difficult to determine a definite cause–effect relationship. Moreover, it is typically inevitable to touch on the sensitive issues of financial and operational reality during the investigation of SROI, which creates unexpected research difficulties. Therefore, this study aimed to develop a new self-report measure of SE performance, which is empirically valid and easy to administer. Departing from the results, this study considered the following questions as directions for future research. First, what are the various considerations in the diverse domains while using this SE performance measure? What are the implications of these differentiations? Clarifying the factors influencing these differentiations and how they function and influence differently at the individual, team, organisational, societal, and global levels is also warranted. We anticipate that the answers to these questions may yield valuable insights into the development and operation of SEs.

In this study, multiple regression analysis was used to explore the possible influence of the length of time of engaging in SEs on the perceived SE performance (see Table 3). The results indicated that this length of time could predict three dimensions of perceived SE performance (personal issues, the social aspect, and the business side). This means that the longer participants are engaged in an SE, the more knowledgeable they become in assessing SE performance, indicating the importance and influence of management seniority in agrirural SEs, which is supported by previous studies (Roberts and Pakkiri, 2013). The results also demonstrated that the length of time engaged in SEs did not predict service programmes, implying that seniority may not be helpful in designing and delivering SE activities which may require imagination, creativity, and innovation.

Table-3. The multiple regression analysis for engaging experience predicting perceived SE performance ($n = 426$)

Factors	Personal issues			Social aspect			Business side			Service programs		
	Beta	t	p	Beta	t	p	Beta	t	p	Beta	t	p
Engaging years	.141	2.926	.004	.106	2.202	.028	.154	3.214	.001	.057	1.167	.244
R^2	.020			.011			.024			.003		
F	8.562			4.850			10.332			1.361		
P	.004			.028			.001			.244		

* $p < .05$, ** $p < .01$, *** $p < .001$

Furthermore, multiple regression analysis was continually conducted to explore the possible influence of business functions performed on the perceived SE performance (see Table 4). In this study, only the SEs performing all of the business functions ($n = 70$) were analysed. The results

indicated that the participants' experience in operation function predicted the perceived performance regarding personal issues. This means that the longer the participants were engaged in the operation function, the more knowledgeable they became in assessing the perceived performance regarding personal issues. This result elucidated the critical role that operation function plays in the agrirural domain. In addition, to accord particular industrial characteristics (i.e., farmland potential to provide public goods), the results corresponded to the conclusions of Boyer *et al.* (2008) and York and Venkataraman (2010) suggesting that agrirural entrepreneurs perform more effectively if they have agrirural operation experience or expertise.

The experience in F&A and IS functions predicted the perceived performance regarding the social aspect and business side, meaning that the longer the participants were engaged in F&A and IS functions, the more knowledgeable they became in assessing the perceived performance regarding the social aspect and business side. This result shows the essential role that F&A and IS play in working experiences in Taiwan's agrirural domain, possibly because most agrirural service organisations (the potential entrants of agrirural SEs) have been struggling for financial support, and an increasing number of Internet generations has engaged in agrirural and environmental services. The results suggested that the management team of an agrirural SE should incorporate F&A and IS professionals to enhance social contributions and business operation.

In addition, the experience in F&A function predicted the perceived performance regarding service programmes, meaning that the longer the participants were engaged in F&A function, the more knowledgeable they became in assessing the perceived performance of service programmes. This result also indicated the importance of the F&A function for Taiwan's agrirural domain. For an underfunded organisation to survive in the target market, its F&A management and resources leverage must be excellent, and its service programmes must be financially justified. This result concurred with the comments of Boyer *et al.* (2008) and Meyskens *et al.* (2010) suggesting that F&A concerns must be accounted for when designing and delivering agrirural SE service programmes.

Table-4. The multiple regression analysis for business function predicting perceived SE performance ($n = 70$)

Factors	Personal issues			Social aspect			Business side			Service programs		
	Beta	t	p	Beta	t	p	Beta	t	p	Beta	t	p
Operation	.174	1.685	.008	.065	.998	.319	-.051	.775	.439	.050	.761	.447
Marketing	-.118	-.813	.419	.157	1.127	.264	-.020	-.143	.886	-.102	-.751	.456
Human resources	-.025	-.198	.843	-.034	-.283	.778	.081	.660	.512	.036	.308	.759
R&D	.200	1.475	.145	.213	1.629	.108	.263	1.973	.053	.058	.454	.652
F&A	.239	1.958	.055	.250	2.139	.036	.245	2.042	.045	.439	3.837	.000
IS	.124	.962	.340	.402	3.260	.002	.267	2.114	.038	.015	.123	.903
Administration	-.005	-.031	.976	-.148	-1.046	.300	-.085	-.587	.560	.064	.458	.649
R^2	.130			.198			.161			.233		
F	1.575			2.597			2.015			3.183		
P	.169			.026			.077			.009		

* $p < .05$, ** $p < .01$, *** $p < .001$

According to the results, the predictive validity could be improved, suggesting that neither length of time engaged in SEs nor business function inquired in this study are the critical factors

influencing perceived SE performance. On the basis of the findings, this study provides a foundation to empirically test the relationship between SE performance and diverse variables, and in addition considers the following questions for future research. First, how does an agrirural entrepreneur's characteristic (e.g., personality traits, beliefs, working experiences, career goal, intrinsic motivation, self-efficacy) influence agrirural SE performance? Second, how do shared knowledge, management team, and entrepreneurial intensity influence agrirural SE performance? Third, how do internal resources, operation strategies, partnership, and organisational culture influence agrirural SE performance? Fourth, how do societal, economic, cultural, and environmental changes influence agrirural SE performance? Fifth, what types of relationships exist in the aforementioned inquiries—linear, mediating, moderating, or curvilinear relationships? The answers to these questions can provide intriguing insights into SE performance and contribute to the ongoing discussion on innovative developments in social entrepreneurship.

Before the conclusion is drawn, the limitations of this study should be noted. First, few agrirural SEs exist in Taiwan at present; therefore, we focused on potential entrants in this study. In other words, the potential influences of business realities were not explored, which may have resulted in limited variance of the sample. Future studies could replicate this study and focus on the perspectives of agrirural social entrepreneurs. A second limitation was the use of self-reported influence rather than expert evaluations or behavioural measures. The use of self-reports, however, was justified by the preliminary nature of this study. The questions asked in this study did not include sensitive items that may have caused the respondents to present themselves in a socially acceptable manner. In addition, the quality, reliability, and validity of EFA indicated that the factor structure of the self-report measure was stable and did not seem to suffer from self-report bias.

5. CONCLUSION

In spite of the limitations, the results of this study indicate numerous crucial findings. First, the present study developed an SE performance questionnaire and a new self-report measure which is easy to administer and empirically valid. Second, the SE performance can be assessed on the basis of four dimensions: personal issues (related to entrepreneur and human resources), the social aspect (related to social problems, contributions, and supports), the business side (related to organisational structure, resources, and operation), and service programmes (service design and delivery). Third, the length of time engaged in SEs could predict three dimensions: personal issues, the social aspect, and the business side. Fourth, the experience in operation function predicts the perceived performance regarding personal issues; experience in F&A and IS functions predicts the perceived performance regarding the social aspect and business side; and the experience in F&A function also predicts the perceived performance regarding service programmes.

Although the results obtained from this study were statistically satisfactory, the agrirural SE performance cannot be understood from only a few studies; the findings indicate that agrirural SE performance involves multiple and complex operations. Hence, further research is required in this area.

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