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FUZZY AHP TO PRIORITIZE STRATEGY FOR SOCIAL ENTERPRISES' SUSTAINABILITY

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FUZZY AHP TO PRIORITIZE STRATEGY FOR SOCIAL ENTERPRISES' SUSTAINABILITY

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Abstract

Social Enterprise (SE) is an exciting phenomenon. Many SEs carry out activities that might be avoided by ordinary businesses pursuing profit but instead become the main targets of SE activities that have a social mission. Thus, building SE sustainability is more difficult because the problems are complex, and most SE is MSME with resource constraints. SE should be able to pick the best strategies, considering their limited resources and changing demand from the ecosystem. This research aims to formulate the priority strategies for SE sustainability. This research employs both qualitative and quantitative research methods. Three key factors and ten elements for the sustainability of SE were derived from the literature study, survey findings, and interviews with SE experts and SE players. Using the Fuzzy AHP method, the choice of strategies is combined with the opinions of experts based on existing factors. The findings are as follows. The top four strategy ranks are innovation, collaboration, and adaptive to the changing needs of society and leveraging their resources. Therefore, this research concludes that innovation should be the priority to achieve the sustainability of SE. The primary strategy must be carried out is collaborative innovation to respond to changing social needs.

Keywords: Fuzzy AHP; Social enterprise; Strategy; Sustainability.

1. Introduction

There are several social and economic concerns in the community that have not been addressed by the government or corporations (Santos, 2012). These include unemployment, poverty, limited working opportunities for people with disabilities, pollution, poor waste management, and many others. The emergence of a Social Enterprise (SE), an enterprise with a heavy social mission, is believed to be able to mitigate such concern (Huybrechts & Nicholls, 2012).

A social enterprise is an organization that has social aims but also has to be financially sustainable (Doherty et al., 2014). Due to the difficulties of combining these two factors, social entrepreneurs must devise a more tailored strategy to their needs and resource capacities.

Procedures for commercial ventures are not always appropriate and might conflict with their objectives.

Not every SE is sustained (Leung et al., 2019). Even though strategies for increasing sustainability are well-known, not all of them are acceptable for every SE at different times with different problems. It will be difficult for SE to commit their energy and resources to all strategies simultaneously, especially if they do not have the resources to support all initiatives simultaneously. Some designs are more important to execute to promote SE's long-term sustainability.

SE's sustainability is its ability to fund its activities and have a positive social impact today, and in the future (Doherty et al., 2014). The long-term survival of an organization depends on its ability to generate its own income, according to Moore (2005) and Reficco et al. (2020). Internal factors determine a company's sustainability. Mission affects innovation and organizational performance, according to Bart (1996). Who and how will be served is the organization's mission (Bart et al., 2001; Perrini & Vurro, 2006). Leadership can support an organization's sustainability, according to Marshall et al. (2017).

Renko et al. (2015) developed entrepreneurial leadership. It influences and directs group members to achieve organizational goals, including recognizing and exploiting entrepreneurial opportunities. Personal traits also determine whether an organization will keep running or stall (Murphy et al., 2019). Robbins and Judge (2013) say growth-oriented small business owners are more risk-taking than large company managers. Aldrich and Zimmer (1986) said entrepreneurial success requires certain traits. Entrepreneurs take risks. Salleh and Ibrahim (2011) define risk-taking propensity as the tendency to take risks when making business decisions. Chipeta and Surujlal (2017) said proactive personality is also linked to entrepreneurship. Proactive behavior is creating new opportunities for oneself or taking the initiative to improve current circumstances and influencing one's environment.

External components (in this case the ecosystem) are also believed to influence a business's success and sustainability (Zhang & Swanson, 2014). An entrepreneurial ecosystem is a set of interdependent actors and factors coordinated to enable productive entrepreneurship (Stam & Spigel, 2016). SE ecosystem can support its productivity by providing access to finance, networks, and social culture. Access to funding can determine SE's continuation (Sigasa, 2014). SEs historically relied on government grants and donor funding (Czischke et al., 2012). SE's financial resources are not limited to these two sources; it must also manage business income.

Government funding includes international and individual donations. Social capital can help organizations obtain resources and information (Fernandez et al., 2000; Sabella & Eid, 2016). Access to networks/social capital influences business sustainability (Kahle, et al. 2018). Next is Social Culture. Social culture is the norms of people's behavior, including ethical and moral codes, which are people's reactions to market failures. To encourage the growth and development of social enterprises in a region, a culture that supports social entrepreneurship is required (Stam & Spiegel, 2016; Thai & Turkina, 2014). Social culture can affect economic performance along with finance and networks (Fang, 2001).

Strong competitive advantages rooted in the company's processes, culture, or mindset can cause organizations to be late in responding to external environmental changes (e.g., technological changes). Organizations must update their dynamic capabilities to deal with dynamic environmental changes (Teece et al., 1997). Dynamic capabilities are a company's ability to integrate, build, and reconfigure internal competencies amid rapid change. Teece (2007) categorizes dynamic skills as sensing, seizing, and transforming. Dynamic capabilities are a company's ability to develop new manufacturing processes and products/services to respond quickly to environmental changes. An organization's resources and capabilities determine its long-term competitive advantage (Eisenhardt & Martin, 2000). Ince and Hahn (2018) found that SE's dynamic capabilities can support business sustainability if they can seize opportunities.

Many studies (Ab Samad et al., 2017; Leadbeater, 2007; Moizer & Tracey, 2010; Sabella & Eid, 2016) have found strategies that can be used to enhance sustainability, but there is currently little research that indicates which strategies should be emphasized. Some strategies are considered more priority to be implemented to support the sustainability of SE, which still needs to be studied further. To fill this gap, this research aims to formulate priority strategies for SE sustainability. The research will be based on a survey of almost 200 SE in Indonesia, combined with an expert analysis of alternative methods for the SE. All of the SE are micro, small, and medium enterprises. The structure of this paper is organized as follows: Section 2 presents the methods, Section 3 reports the results and discussions, and Section 4 shows the conclusions.

2. Methods

The primary method used in this research is fuzzy AHP. This method is chosen considering the complexity of strategy creation. Many of times one strategy to another is unclear or even full

ambiguity (Somsuk & Laosirihongthong, 2014). Traditional AHP is combined with fuzzy set theory, which is a way for overcoming ambiguous judgments and expressing preferences as fuzzy sets (fuzzy numbers) that represent the confusion of human thought (Chiou et al., 2005; Chan & Kumar, 2007; Kilincci & Onal, 2011). The structure of AHP requires the statement of a goal, determining factors, elements, and alternative strategies (Fadhil et al., 2018). To obtain the essential factors, the researcher performed a literature review in the early phases of the study. After that, researchers surveyed the SEs, then tested them using SEM (Structural Equation Modeling).

Alternative strategies were obtained through literature reviews and interviews with nine experts in SE in Indonesia, consisting of four parties (quadruple helix approach), namely SE actors, academics, enablers, and regulators. Structured questions were used in the interviews, done through the Zoom Platform from July to August 2021. Finally, six alternative strategies were derived from the literature study and discussions.

SE actors are the individuals who run the business, experience its ups and downs and understand its intricacies, from the big to the small. There is no doubt that social entrepreneurs are experts in this field. An enabler can be interpreted as a key supporter. Enablers are parties that support and encourage social enterprises to develop, for example, capacity developers, lenders, incubators, and accelerators for ecosystem development (Sabella & Eid, 2016). Enablers generally follow the development of social enterprises from the start, understand what social enterprises are initiated and do, and their impact on beneficiaries.

The regulator is the party setting the rules at the central or regional levels. However, until now, the rules regarding social enterprises have not been expressly regulated. The rules used are still primarily based on the general rules of entrepreneurship. Therefore, as representatives of the regulators, they are selected from agencies currently considered sufficiently representative and understand social entrepreneurship well. Academics are researchers or lecturers who often conduct studies on social enterprises and their impact on society. Representatives of academics come from campuses with a strong interest in entrepreneurship and social enterprises.

The steps of the procedure using the fuzzy AHP approach are as follows: 1). Create a hierarchical structure chart that includes the determinants for the strategy, elements or criteria for each factor, and alternative methods that can be implemented for determining the best plan for sustainability. A four-level AHP model for determining strategic priorities is shown in Figure 1. 2). They made a pairwise comparison matrix defining which elements are more

important and how much they concern their upper level. The experts were interviewed in pairs and asked to respond to each factor, detail, and strategy. An example of a question is whether internal factors or ecosystems are more important in achieving sustainability and how vital their scores are. 3). Perform AHP fuzzy calculations with available software.

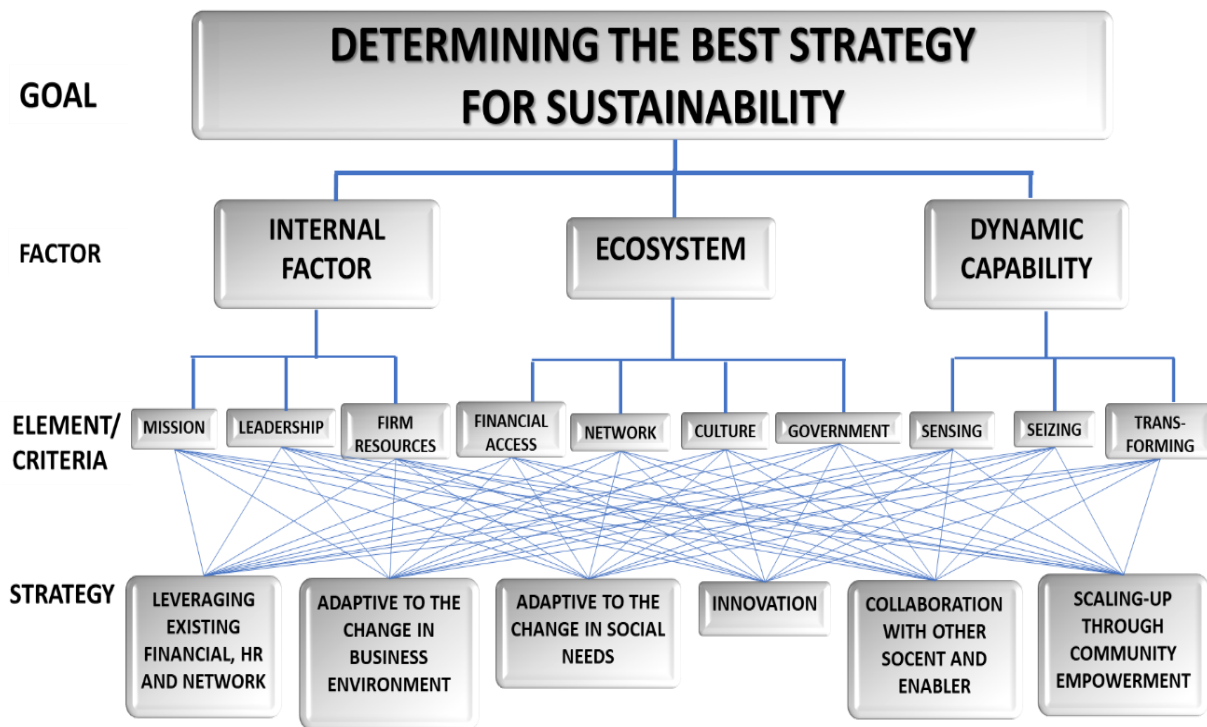


Figure 1. The hierarchical structure for prioritizing the strategy for SE sustainability.

Source: Processed by researcher (2022)

3. Results and discussion

Internal factors, ecosystems, and dynamic capabilities were identified as factors that determine sustainability in the study's literature review (Eikelenboom & de Jong, 2019; Zhang & Swanson, 2014). While after testing the load factor and processing the data with SEM (Desiana et al., 2022), it was found that internal factors, ecosystems, and dynamic capabilities significantly impact SE's sustainability. As a result, these three variables are classified as component factors that determine long-term viability.

Each factor has elements or criteria. The organization's mission, leadership, and company resources are internal factors (Bart, 1996; Chipeta & Surujlal, 2017; Hitt et al., 2001; Renko et al., 2015; Sirmon et al., 2007). The ecosystem includes access to finance, networks, social culture, and government (Czischke et al., 2012; Fang, 2001; Fernandez et al., 2000; Kahle et al., 2018). Dynamic capabilities include sensing, seizing, and transforming (Teece, 2007).

Alternative strategies resulting from literature reviews and interviews with experts are 1. They are leveraging existing financial, human resources (Moizer & Tracey, 2010); 2. Adaptive to the change in the business environment (Ab Samad et al., 2017); 3. Adaptive to the change in social needs (Ab Samad et al., 2017); 4. Innovation (Sabella & Eid, 2016); 5. Collaboration with other parties (Sabella & Eid, 2016); and 6. Scaling-up (Leadbeater, 2007).

Data processing begins with calculating the consistency ratio for each factor, element, and strategy, and all of the results are below 0.01. The researcher then performed a priority weighting analysis by comparing the overall paired data and generating weights for factors, elements, and strategies. From the results of fuzzy AHP processing, based on the goal to create SE sustainability, the factor that has the highest weight is the internal factor (0.35), the next is an ecosystem (0.331), and the last is the dynamic capability (0.319). These findings suggest that internal factors should take precedence to achieve sustainability. Internal factors include leadership, which is a crucial aspect of SE. Because the leader directs SE's vision and mission and must be sensitive to social situations, the role of the leader is critical.

The following processing stage is weighting elements concerning factors. Based on internal factors, the essential elements in forming internal factors are leadership (0.353), then organizational mission (0.33), and company resources (0.316). This means that the leader becomes a top priority in SE internal factors. Experts say that SE is synonymous with leaders who must have a strong vision and understand the social situation around them in order to be able to produce social innovation.

Based on the ecosystem, the element that has the highest weight is the network (0.269), next is access to finance (0.25), social culture (0.243), and the last is the government (0.238). Networks can create strength for SE and make it easier for them to achieve their goals. SEs can share difficulties with others and not think about things alone and spend money on private property. Difficulties in raw materials, capital, or others can be resolved more quickly by having a solid network. Based on dynamic capabilities, the transformation element becomes the top priority (0.342). Then proceed with sensing and seizing opportunities that have the same weight (0.329). Transformation is a priority because, without changes made, activities to detect and take advantage of opportunities will not be beneficial for SE.

The strategies are carried out in corridors that meet certain factor and element. To meet certain factor, Fuzzy AHP can determine which strategy is the most effective. In this study, based on the mission element (Internal Factors), the order of the most effective strategies with the three highest rankings are: Strategy 3 is about adapts to changing social needs (0.176);

Strategy 4 is about innovation strategy (0.173)); and Strategy 1 is about optimizes financial and human resources (0.164). This means that the most appropriate strategy to carry out the mission of social enterprises is a strategy that prioritizes adaptation to changing social needs. Social enterprises that care about the needs of the beneficiaries as well as the surrounding community can be expected to realize their social mission. The next strategy is to innovate. Social enterprises that innovate, especially social innovations, will be able to realize their social mission. The third strategy is optimizing financial and human resources. When a social business knows how to manage its resources well, it is usually able to fulfil its social mission.

The next element is leadership. Based on the leadership element (internal factors), the order of the most effective strategies with the three highest orders are: Strategy 4 is focused on innovating (0.177), Strategy 1 is focused on optimizing financial and human resources (0.173), and Strategy 3 is focused on adapting to changing social needs (0.173). This means that the strategy that best fits the existing leadership in social enterprises is a strategy that promotes innovation. Leaders of social enterprises generally have high creativity in order to keep social enterprises alive and thriving, so the strategy of innovation in social enterprises is very suitable for the character of their leaders. The next strategy is to optimize the company's resources and adapt to changing social needs. Both strategies are considered compatible with existing leadership in social enterprises. Social enterprise leaders rely on the company's own capabilities by optimizing the resources they have. They also believe that adapting to the changing needs of beneficiaries is an absolute must for social enterprises, so an adaptive strategy to changing social needs is a strategy that is in line with leadership in social enterprises.

The third element of internal factors is company resources. Based on the company resources element, the most effective strategies with the highest three in order are: Strategy 1 is concerned with maximizing financial and human resources (0.180); Strategy 4 is concerned with innovation (0.178); and Strategy 5 is concerned with collaboration with other social enterprises and enablers (0.170). Thus, the most effective strategy to utilize existing resources in the company, both financial and labour, is to optimize company resources. The next strategy is to innovate. When implementing an innovation strategy, social enterprises must take advantage of the company's resources, both labour (as a source of ideas and those who innovate) and financial. The strategy of collaborating with social enterprises and other enablers is the third highest. By collaborating with other parties, social enterprises do not need to spend their personal resources because they can share them with other social enterprises or with enablers.

Next are the elements of the ecosystem. The first element of the ecosystem is access to finance. Based on this element, the order of the most effective strategies with the highest three in order are: Strategy 1 optimizes financial and human resources (0.172); Strategy 5 collaborates with other social enterprises and enablers (0.171); and Strategy 2 adapts to changes in the business environment (0.169). This means that the most appropriate strategy to take advantage of financial access available outside the company is to optimize company resources. By improving employee competence, especially employee social capital, social enterprises will be able to take advantage of existing financial access. Likewise, if social enterprises collaborate with other social enterprises or enablers, it is easier for social enterprises to take advantage of available financial access. The next best way for a social enterprise to get money from other sources, like financial aid, is if it adapts to changes in the business environment. For example, it could do this by following the demand for products or services that match market trends.

The second element of the ecosystem is the network. Based on the network element, the order of the most effective strategies with the three highest rankings are: Strategy 5 is to collaborate with other social enterprises and enablers (0.181); Strategy 3 is to adapt to changing social needs (0.171); and Strategy 4 is to innovate (0.166). Thus, the most appropriate strategy to take advantage of the existence of the network around the company is to collaborate. Of course, social businesses that collaborate a lot have more networks, and they can use them for social business purposes. The next strategy is to adapt to changing social needs. Social enterprises that are sensitive to the changing needs of beneficiaries or the environment are easier to cooperate with than social enterprises or other parties in the social enterprise ecosystem. The third highest ranking of the most appropriate strategies for utilizing the network is innovation. Social enterprises can take advantage of enablers or associations to disseminate the results of innovations carried out by social enterprises, thereby generating supplier interest.

The third element in the ecosystem is social culture. Based on this element, the order of the most effective strategies with the highest three in order are: Strategy 3 adapting to changing social needs (0.180); Strategy 5 collaborating with other social enterprises and enablers (0.170); and Strategy 4 innovate (0.167). This means that the strategy that is most in line with the surrounding social culture is adapting to changing social needs, collaborating with other social enterprises and enablers, and innovating. Social businesses that focus on changing the social needs of beneficiaries or the community are certainly in harmony with the culture of the local community. Social businesses that put collaboration strategies at the top of their list, especially

with the local government, communities, or other people in the area, need to think about how well they fit with the local culture.

The last element in the ecosystem is the government. Based on this element, the order of the most effective strategies with the highest three in order are: Strategy 4 innovate (0.170); Strategy 5 collaborate with other social enterprises and enablers (0.170); and Strategy 2 adapt to changes in the business environment (0.167). Thus, the most effective strategy in utilizing government support is to innovate so that the government can provide ease of doing business, assistance, financing, training, or other support. The next step is collaborating with other social enterprises or enablers so that the government is aware of their existence. As part of the next strategy, which is to adapt to changes in the business environment, social enterprises help meet many of the needs of beneficiaries or the community. Therefore, the government thinks it's important for social enterprises to exist to help them solve social and environmental problems.

The next element after the elements for ecosystems is the element for dynamic capabilities. The first element is sensing. Based on this element, the order of the most effective strategies with the highest three in order are: Strategy 3 adapting to changing social needs (0.176); Strategy 4 innovating (0.173); and Strategy 2 adapting to changes in the business environment (0.169). This means that the most effective strategy to utilize or execute the company's ability to detect opportunities is to adapt to changing social needs, innovate, and adapt to changes in the business environment. By adapting to changing social needs around them, social enterprises take advantage of their ability to detect any opportunities that exist in their environment. The strategy of innovating and adapting to changes in the business environment also enhances the ability of social enterprises to detect opportunities.

The second element in Dynamic Capability is Seizing. Based on this element, the order of the most effective strategies with the highest three in order are: Strategy 4 innovates (0.171); Strategy 1 optimizes financial and human resources (0.171); and Strategy 3 adapts to changing social needs (0.169). This means that the most effective strategy to execute the company's ability to capture and take advantage of opportunities is the strategy to innovate, then optimize company resources and adapt to changing social needs. With an innovation strategy, social enterprises use their capabilities to seize the opportunities that exist. Likewise, with the strategy of optimizing company resources and adapting to changing social needs. For this strategy to work, social enterprises need to be able to find and take advantage of opportunities.

The third and final element in Dynamic Capabilities is Transforming. Based on this element, the order of the most effective strategies with the highest three in order are: Strategy 4 innovates (0.178); Strategy 1 optimizes financial and human resources (0.170); and Strategy 5 collaborates with other social enterprises and enablers (0.167). Thus, the most effective strategy to execute the company's ability to make changes is the strategy to innovate, then optimize the company's resources and collaborate with other social enterprises and enablers. When implementing an innovation strategy, the social enterprise exercises its ability to bring about change. In the same way, when social enterprises use company resources well and work with others, they need to be able to make changes.

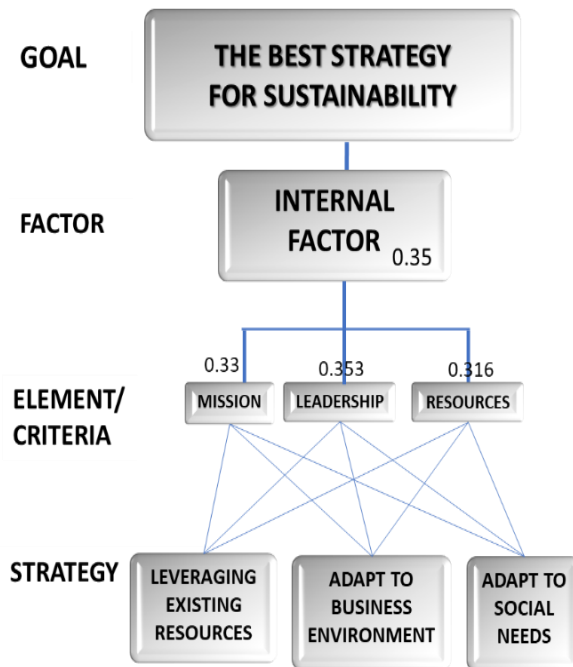
As previously stated, the strategies carried out in the corridor meet certain factors and elements. After obtaining the sequence of strategies based on the element, in this section the sequence of strategies based on the criteria is presented. Based on internal factors, innovation is a strategy that gets priority (0.175). The following two priorities are leveraging existing resources (0.172) and changing social needs (0.171). So, the best way for social enterprises to strengthen their internal factors is to come up with new ideas, make the most of their resources, and adapt to changing social needs. By innovating, leaders think about creative ways to mobilize their resources. This certainly strengthens the company's internal factors.

Based on the ecosystem, the strategy that gets the priority is a collaboration (0.173). Two other strategies that get the next priority are adaptive to social needs (0.17) and innovation (0.167). This means that the most effective strategy to gain support from the social enterprise ecosystem is to collaborate with other social enterprises and enablers, adapt to changing social needs, and innovate. By collaborating, social enterprises become bigger and stronger, so that they can be detected by the environment, both the government and the community. This increases the support from the ecosystem to social enterprises.

Meanwhile, based on dynamic capabilities, the priority of the strategy is innovation (0.174), followed by an adaptive strategy to the change in social needs (0.171) and leveraging existing resources (0.169). This means that the most effective strategy to realize dynamic capabilities is to innovate, adapt to changing social needs, and optimize company resources. By innovating, social enterprises are required to be able to detect and capture opportunities that exist in the environment and, most importantly, be able to make the necessary changes.

The final processing stage is the weighting of the strategy concerning the goal, which is the main objective of this research. Based on the results of data processing, it is found that the main strategic priority to create sustainability is innovation (0.172). Collaboration (0.169), adapting

to changing social needs (0.168), and leveraging existing resources (0.167) are the following three strategic priorities that can be met. Two other strategies that are not currently a priority are adaptive to the change in the business environment (0.164) and scaling-up (0.157). All of the fuzzy AHP processes are illustrated in Figure 2.



This figure illustrates the result of fuzzy AHP.

Step 1: Determination of factors' weights with respect to the goal. The factor that has the highest weight is the internal factor (0.35).

Step 2: Determination of criteria's weights with respect to the factors. For the internal factors, the most important elements in forming internal factors are leadership (0.353), then organizational mission (0.33) and company resources (0.316).

Step 3: Determination of strategies' ranks with respect to the factors. For the internal factors, innovation is a strategy that gets the first priority (0.175). The next two priorities are leveraging existing resources (0.172) and adaptive to the change in social needs (0.171).

Step 4: Determination of strategies' ranks with respect to the goal. The main strategic priority to create sustainability is innovation (0.172). Collaboration (0.169), adapting to changing social needs (0.168), and leveraging existing resources (0.167)

Figure 2. Illustration of fuzzy AHP processes and results.

Source: Processed by researcher (2022)

To obtain an overview of the reliability and challenges that may be faced, an overview of the three main strategy options is described as follows. The first order of strategy is innovation. Innovation is a strategic choice that is the key to the company's survival in a competitive environment. In order to be ahead of their competitors, companies must innovate continuously. Innovation that creates excellence has the characteristics of novelty, can be applied, and provides benefits for its users. Innovation does not always have to use advanced technology (Rothaermel, 2019). Although it is often rumored that there are innovations in the form of breakthroughs that drastically change technology and business strategies, in fact, most innovations are gradual (incremental) innovations that utilize existing technology but can increase product variety or quality and are aimed at the same market.

Moreover, for social enterprises, which are mostly small and micro-enterprises, the least risky innovation is slow innovation, which can be in the form of improving the type of product

or work process, and so on. These innovations can vary depending on the position of the social enterprise in its life cycle. Social enterprises should note that innovation at different stages has different consequences for both the company and its competitors as well as the industry. In the early stages of the business cycle, innovation includes the discovery of new products or services by the company, or modifications of existing products. As for the next stage, it is usually followed by innovation in the production or service process.

Collaboration ranks second as a prioritized strategy for social enterprises to maintain their business continuity. Collaboration is a phenomenon commonly practiced in the business world when two or more companies share resources, technology, distribution networks, or markets so that they can benefit or synergize from the collaboration. Another goal of collaboration is to increase credibility or build community. Collaboration can also be done by companies with other institutions in the ecosystem. Within the scope of social enterprises, which are mostly small and micro enterprises, social enterprises must use their business location as an area to find partners who can collaborate. In the entrepreneurial ecosystem, there are a lot of groups that could be asked to work together. These groups include government agencies, universities, groups of other entrepreneurs, and so on.

The third strategy is adaptation to changing social needs. Adaptation as a strategy has emerged in the management and entrepreneurship literature that emphasizes the company's ability to be agile and flexible to adapt to the ever-changing environment that is characteristic of the 21st century, where the boundaries between companies and industry are becoming increasingly blurred. Taking an analogy from the field of biology, [Coghlan et al. \(2020\)](#) stated that adaptability is an important organizational concept.

Among the adaptation mechanisms that exist at the company level, agility is the response that companies must take when facing the changing needs of beneficiaries and the surrounding community. Companies must be ready to change, able to leverage human knowledge and skills and partnerships to benefit beneficiaries as well as society. Agility is the ability to respond quickly and innovatively to exploit change and take advantage of emerging business opportunities. More than that, agility is often used to show how well a company can deal with extreme threats and changes that come up out of nowhere.

These results show that the differences in scores between strategies are pretty slim (ambiguity as expected), but the fuzzy AHP method successfully differentiates strategy priority. Thus, this research can fulfil the research gap mentioned earlier. Moreover, this research clarifies that SE, which has different goals from commercial companies, produces strategic

priorities that align with its social mission to achieve business sustainability. SE must continue to innovate and collaborate with other parties to meet the needs of its beneficiaries.

4. Conclusion

Using Fuzzy AHP, this research accomplished the purpose of ranking the strategies: rank 1 – innovation, rank 2 – collaboration (above using own resources in rank 4), and rank 3 – adaptability to social needs (above adaptability to business needs in rank 5). Moreover, despite SE's resource constraints, they must continue to innovate to be sustainable. The research reveals that for SE, collaborative innovation is the best strategy for meeting the changing needs of beneficiaries. This research suggests that further research should examine whether the strategy could be executed separately or if they are interconnected.

The above conclusions have the following implications. Conceptually with its unique "pro-social" characteristics, SE will consequently be more adaptive to changes in the social environment than the economy. SE should also use its network to innovate collaboratively and incrementally. In practice, SE managers must stay focused on their social mission and more readily adapt to changing social needs. SEs need to strengthen their network and innovate by combining rather than deploying their resources to react appropriately to changing social needs.

In anticipation that social enterprises can implement strategic choices effectively, the following views can be put forward. The design or selection of strategies is an important step for social enterprises to set the specific goals they want and plan the steps to achieve those goals, considering various possible obstacles. No less important is the action to implement (implementation) the agreed strategy. In large companies, strategy implementation can be very complicated because there is a distance from top management through managers to implementers. The strategy execution process that is too rigid, not paying attention to the possibility of new ideas, can cause this process to hinder the creation of innovation in the company.

In the social enterprise environment, which is mostly small or micro-scale, there is no such complexity. However, social enterprises still must pay attention to various things, especially regarding a common understanding of the goals to be achieved, ways to achieve them and the risks faced. Furthermore, it is necessary to prepare resources (including funds, human resources, and technology) that are estimated to be able to carry out the strategy. This preparation is very necessary, especially if there is a change, anticipating a changing ecosystem. If the social enterprise wants to use two or more different strategies simultaneously, it should

plan more carefully so that the people in charge of putting them into action don't get confused and the process of allocating resources isn't slowed down.

Author Contribution

“Conceptualization, Desiana; Methodology, Desiana and Ma’arif; Software, Desiana; Validation, Desiana, Ma’arif, Puspitawati and Rachmawati; Formal Analysis, Desiana; Investigation, Desiana; Resources, Desiana; Data Curation, Desiana; Writing – Original Draft Preparation, Desiana; Writing – Review & Editing, Desiana, Ma’arif, Puspitawati and Rachmawati; Visualization, Desiana; Supervision, Ma’arif, Puspitawati and Rachmawati; Project Administration, Desiana.; and Funding Acquisition, Desiana.”

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