

Impact of social entrepreneurs on community development in the Cape Town Metropolitan Municipality area, South Africa



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Social entrepreneurs are well positioned to tackle socio-economic problems in deprived communities. The impact of social entrepreneurs is becoming important for addressing social challenges and providing innovative, sustainable and effective social solutions. Although many entrepreneurs are active in the Cape Town Metropolitan Municipality area, their impact on community development remains largely unreported publicly. This article focuses on social entrepreneurs' impact on community development and provides an understanding of their impact. It addresses the question: what impact do social entrepreneurs have on community development? It is based on a study that combines qualitative and quantitative data collection methods conducted in Khayelitsha (Harare) and Gugulethu (Section 21). The sample consisted of 73 respondents representing social organisations, social entrepreneurs and individual township residents, selected by using the margin of error formula. Interviews and a questionnaire were the instruments. It was found that social entrepreneurs positively impact communities' development in several ways: improvements through training, educating and facilitating communities' engagement in different activities such as home-based care and developing children's mentality and creating space for people to develop their needs. Despite the crucial role social enterprises play in deprived communities, their activities do not alleviate core community problems and their impact is minimal owing to shortcomings such as non-involvement of local people, unsustainability of their activities' outcomes, lack of plans to present to communities, poor implementation of activities and weak monitoring of outcomes. To enhance their impact, social entrepreneurs should involve beneficiaries trapped within socio-economic problems in the process of community development.

Introduction and background

Today, many socio-economic problems surround communities that are associated with community development. Social entrepreneurship has taken a pioneering role in tackling these problems in poor communities (Barki et al. 2015:381). Whether they are individuals or charitable organisations, social entrepreneurs are recognised as a powerful change agent for developing communities (Dees 1998:4). Social entrepreneurship acts as a bridge between businesses and traditional business (Barki et al. 2015:380). Besides transforming the market, the influence of social entrepreneurs is becoming more important for the world to overcome social challenges and provide sustainable and effective social innovation solutions (Sassmannshausen & Volkmann 2013:3). Stakeholders need to be fully aware of the impact of social entrepreneurs in order to appreciate the value of the contribution they make.

The Cape Town Metropolitan Municipality area presents a range of socio-economic problems in areas such as education, health and housing, which social entrepreneurs see as opportunities to initiate change. From the potential that social entrepreneurship presents for their activities to proliferate in the country, they need to design programmes with clear objectives, implement them and assess their outcomes. However, it is a challenge to assess the impact of their activities because they take some time to manifest themselves. The outcomes of clearly defined programmes undertaken by social entrepreneurs have to be sufficiently assessed to give an appropriate target of aligning social impact measurement (Jafta 2013).

Social entrepreneurship has been described as one of the defining trends of the 21st century (Mair 2010:3). In the past two decades, it has become a stylish phenomenon often shown by success stories across the world in diverse fields such as education, health, culture and so on (Light 2010:351–355). According to Dees (2001:1), the notion of social entrepreneurship is well suited to

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this era. Furthermore, the author points out the importance of the innovative actions of social entrepreneurs, which lead to the resolution of social problems, while government and the charitable efforts of traditional organisations are falling short in alleviating the current social challenges. Entrepreneurial activity is the process by which the efforts of individuals are united with those of certain types of organisations to solve socio-economic problems of disadvantaged areas (Mair & Marti 2006:36; Urban 2008:349).

Regardless of the positive outcome of activities undertaken through social entrepreneurship in tackling socio-economic challenges in the Cape Town Metropolitan Municipality area, the impact of social entrepreneurs on community development is not fully known and, sometimes, communities perceive social entrepreneurship negatively. Lack of or partial knowledge of social entrepreneurs' impact makes it difficult for the field to contribute to development, improve cohesion in communities, gain support from communities and create institutions. This article focuses on the impact that social entrepreneurs have on community development and challenges they face in their mission to overcome socio-economic challenges in order to develop communities.

Research objective

Dearth of knowledge of the impact of social entrepreneurs on community development makes it difficult for the field of social entrepreneurship to contribute to development, improve cohesion in communities and gain support from communities. Consequently, this article investigates the impact of social entrepreneurs on community development.

Literature review

Evolution of entrepreneurship

Entrepreneurial perspectives and roles have increased in range nowadays and include certain ventures that make the phenomenon more difficult to describe. Historically speaking, the concept of entrepreneurship made its appearance during the 18th century, with a number of economists limiting the meaning to starting one's own business (OECD 2004:8). Bygrave and Hofer (1992:13) define entrepreneurship as a phenomenon encompassing a number of purposes or occupations, activities related to opportunity and establishment of businesses to pursue the total activity. According to Iversen, Jørgensen and Malchow-Møller (2007:3), Schumpeter (1934:4) modernised the definition of entrepreneurship, which is to bring new ventures to combine enterprises and individuals who are ready to carry out those new ventures. Schumpeter linked the concept to the creation of a new venture, which he further described as:

... introduction of a new product, introduction of a new method of production, opening of a new market, the conquest of a new source of supply and the carrying out of a new organisation of industry. (Iversen, Jørgensen & Malchow-Møller 2007:6)

Reynolds (2005:359) views the conceptualisation of entrepreneurship and entrepreneurial activity as the

birthplace of opportunity and the conception of new economic ventures that pass through the development of a new business. Cuervo, Ribeiro and Roig (2007:3) explain that the concept of entrepreneurship usually takes its origin of discussion under the study of entrepreneurial factors, which the authors outline as: entrepreneurial function, entrepreneurial initiative, entrepreneurial behaviour and entrepreneurial spirit. According to Shane and Venkataraman (2000:217), the entrepreneurial function is a new search for opportunity through developing a certain activity or creation of an enterprise. The combination abounds the concept of risk-taking and renewal. Shane and Venkataraman (2000:217) see the entrepreneurial function as an assessment and exploitation of an opportunity. For Cuervo et al. (2007:3), entrepreneurial initiative is inventiveness and fantasy that an individual undertakes to come out with a new venture or opportunity to anticipate the market or develop the ability to innovate. This combination abounds the concept of risk-taking and renewal. Cuervo et al. (2007:3) and Miller (1983:770) associate entrepreneurial behaviour with the performance of management that not only achieves innovation and risk-taking but also pro-activeness. Cuervo et al. (2007:3) point out that entrepreneurial spirit is a concept that highlights a certain exploration that pursues innovation and is different from opportunity management or exploitation. Eckhardt and Shane (2003:333) point out the reason behind different descriptions of entrepreneurship by viewing the identification and assessment of opportunity, availability of resources and strategy as key values that make the concept more dispersed.

Social entrepreneurship

According to Dees (2001:Online), social entrepreneurship was first used in 1970, but the phenomenon of an organisation with a social purpose had existed long before the spread of social entrepreneurship. Rapid development in social entrepreneurship in the 21st century has brought many scholars and researchers to pay attention to the field (Perrini, Vurro & Costanzo 2010:515). Over the years, many authors have tried to produce a clear definition of social entrepreneurship. However, up to now, there is no agreement on how social entrepreneurship is defined (Light 2010:352; Ribeiro-Soriano & Castro-Giovanni 2012:333). Despite its popularity, research conducted by Choi and Majumdar (2014:5–7) illustrates that academics and specialists still do not agree on the meaning of social entrepreneurship. Ferri and Urbano (2014:29) and Chell, Nicolopoulou and Karataş-Özkan (2010:485) state that the number of meaningful definitions of the concept of social entrepreneurship has increased. Bacq and Janssen (2011) define it as:

... the process of identifying, evaluating and exploiting opportunities aiming at social value creation by means of commercial market-based activities and the use of a wide range of capital and resources. (p. 376)

In the past, researchers focused on producing a definition of the field. Nowadays, however, the shift in social entrepreneurship focuses on the purpose of social change by

innovating and creating change in communities, rather than maximising profit as the main true reward (Shaw et al. 2013:276).

Social innovation and value creation of social entrepreneurship

Doing different things is what many authors believe social entrepreneurship is all about. Understanding the social innovation process resides in the importance attributed to the concept (Lettice & Parekh 2010:139–158). These authors define social innovation as ‘new ideas that seek to develop ways to improve the society’. Social innovation study is constructed on social creation, social entrepreneurs and social entrepreneurship organisation (Mair, Battilana & Cardenas 2012:368). The authors illustrate that social innovation is established as a sub-concept of social entrepreneurship and plays the role of persuading change in communities. Positive value in social entrepreneurship contributes to the internal change of the notions (Barki et al. 2015:380).

Creating social value has been considered as a requirement for social entrepreneurship (Peredo & McLean 2006:56–65). Austin, Stevenson and Wei-Skillern (2006:1–22) and Barki et al. (2015:387) state that the aspect of social value creation describes the field as social entrepreneurship based on its main beliefs, which are social vision and mission. Nicholls and Cho (2008:99) view social value itself as a very difficult, unclear and challenged notion. The authors note that it is very demanding to consider or evaluate the degree of what social value essentially requires and what actions or development have to be put in place in generating community significance. Murphy and Coombes (2009:326) describe the concept of social value creation as a value overloaded concept that encompasses honest behaviour, selfless objectives and the promotion of a social purpose to bring freedom, equality and tolerance.

Role of social entrepreneurship

From Dees’ study (2001:Online), it is clear that social entrepreneurship plays an important role in society or environments concerning development. For the author, the concept of social entrepreneurship does change, innovate and determine the value of society. Furthermore, the author calls a social entrepreneur a change agent. According to Cherem (2013:Online), the importance of the existence of social entrepreneurship resides in placing greater opportunities on certain communities in either developed or emerging countries through systematic change that actors bring in the society by selling products and delivering services. A study by McElnea (2005:Online) shows social entrepreneurship as a change agent present in many communities and a vital provider of resources necessary for these communities to overcome their inequality. Moreover, the author points out that the roles related to social entrepreneurship also propel the needs of the economy by introducing more jobs and new ventures.

Social entrepreneurs and social organisations

A clear understanding of what social entrepreneurs are and what they do gives a clear picture of individuals involved with social activities. In many cases, those involved with social activities are identified as social entrepreneurs or social workers. These individuals, according to Haugh (2005:346), are people with intrinsic creativity that tend to fill, in a meaningful way, the gap of social problems left by government, private and public organisations. Further, the author agrees with the view of scholarly analysis regarding the importance of individuals’ vital characteristics in the success of social entrepreneurship. These characteristics are believed not only to transform or solve the problems of a particular sector but also to maintain a sustainable transformation for a better life.

Over the past decade, the world has witnessed tremendous growth of social organisations. Galera and Borzaga (2009:214) state that not all well-planned ideas that aim to pursue a social goal are taken under the umbrella of a social organisation. A study by Kerlin (2013:85) points out that within the window of progressive growth of social organisations and their positive way of changing the world, people have displayed various ways to describe the concept of social organisation and attached a meaning to use it. Kerlin (2013:84) defines a social organisation as a non-governmental and market-based approach used for the purpose of social issues. Furthermore, the author describes a social organisation as an entity that creates meaningful projects aimed at raising revenue only for social activities.

Impact of social entrepreneurship on community development

For decades, issues of poverty, unemployment and health in certain communities have challenged both the governmental and non-governmental (NGO) sectors. Recently, these sectors have jointly sought to address and find new approaches to reduce high levels of poverty, unemployment and ill health, which impact on communities’ economic life and freedom. The South African context of transformation since 1994 is faced with complex challenges, including economic, social and poverty alleviation (Seekings 2016:1). The author notes the need to evaluate certain initiatives such as community development programmes, which require interventions, despite these challenges.

According to Travis, McFarlin, Van Rooyen and Gray (1999:185), community development in South Africa is one important intervention approach in response to poverty alleviation issues surrounding the society because citizens residing in rural areas have very little and are surrounded by poverty. Social conditions perpetuate violence, illiteracy and ill-health. According to a study by Hart (2012:55), in the South African context, the need for effective and constructive community development is recognised as important for national development. Flora and Flora (1993:48) state that community development relies on

interaction between people and joint action, which the authors call 'collective agency'.

Cavaye (2006:Online) suggests that a review of community development requires an understanding of what the concept combines, that is, 'community' and 'development'. The author defines 'community' as a group of people with a shared identity, neighbourhood and environment. According to Weyers (2011:154), the concept of community represents a system that extends with some sub-systems that should jointly work to overcome certain issues for a common good. At the same time, Weyers (2011:154) defines development as change, improvement and vitality; a directed attempt to improve participation, flexibility, function, attitude and quality of life. According to Lyon and Driskell (2011:107) and Ledwith (2005:14), the concept of community development encompasses concrete and non-concrete facets offering anticipating change in socio-economic conditions and cultures of people living in communities.

Economic development

According to research by Flora, Flora, Spears and Swanson (1992:62), economic development regarding community development does not, in certain ways, only improve quality of life. As part of community development, economic development, in its grand aspect, is mainly conducted to improve employment and the economic base of the community. Cavaye (2006:Online) views economic development as part of community development because it involves different elements of community development, such as participation, rethinking and action learning, and it is gratifying, especially in a context that ameliorates the comparative position of the community. Hall and Midgley (2004:72) indicate that, regarding community development, different social entrepreneurs engage in both direct and indirect economic activities. In Hall and Midgley's view, the combination of social and economic aspects creates economic opportunity for poor people and improves the basic condition of deprived communities in areas such as healthcare, education and nutrition. Lombard (2008:327) illustrates that either a social entrepreneur or a social worker can dramatically change the economy and contribute to economic development and growth, integrated human, social and economic development.

Cultural conditions

Leopold Sedar Senghor was the most influential and read poet in Africa. In his novel, according to Marañá (2010:3), he states that: '... culture is the be all and end all of development'. Marañá (2010:3-4) states that the difficulties surrounding the relationship which ties culture to community development, did not really receive attention until the mid-1980s. According to Marañá (2010:3-4), cultural factors have a great impact on promoting the community development process. Furthermore, the author illustrates that despite several studies by experts, the concept of community development devotes more attention to issues such as economic growth,

education and health as human or communities' development. Nowadays, that devoted attention incorporates cultural factors for analysing community development.

According to Wilson (2015:1), the wholesale neglect of incorporating cultural factors into social entrepreneurship practitioners' initiative remains critical and has always been left out in designing projects. For the author, the mistake of often not incorporating cultural factors into development plans may negatively affect the outcome of development. Nowadays, in the process of community development, culture is viewed as an important factor that most practitioners combine with other factors in order to develop and promote both community development and community building.

Social entrepreneurship in the Cape Town Metropolitan Municipality area

South Africa, particularly the Cape Town Metropolitan area, has several social entrepreneurship pioneers. According to Jafta (2013:Online), the Cape Town Carnival is a venture that falls into the classification of social entrepreneurship. The author states that the launching of the Cape Town Carnival was aimed at seizing the opportunity behind challenges facing the community's art and culture so as to provide participants with a meaningful diversity and a training opportunity to prosper in design and costumes. Watters et al. (2012:1) point out that the Greenpop initiative focuses on changing the environment by protecting and maintaining it, while also providing opportunities to participants in the community. With its approach on deforestation, the Greenpop initiative aims to create employment opportunities. According to Moily (2012:Online), Symphonia, a recognised social enterprise in Cape Town, aims to promote innovation by developing a leadership programme that gives opportunities to business leaders and school principals to exchange ideas through co-learning and co-action partnerships. Despite success stories around the Cape Peninsula, areas such as health, education, employment and housing in Cape Town's deprived areas still need social entrepreneurship action to seize opportunities and foster change. As the impact of social entrepreneurs on community development around the Cape Town Metropolitan Municipality area remains mostly unclear and not well-received by communities, this study investigates the impact of social entrepreneurs on community development in the area.

Research design and methodology

A combination of qualitative and quantitative methods was used. Popularly called mixed methods, this approach generates more credible and persuasive conclusions about the research problem. Qualitative research is an approach for probing and understanding the meaning individuals or groups attribute to a social issue (Bryman 2015:38), while quantitative research focuses on gathering numerical data and generalising it across groups of people. It is a methodical technique of inquiry and follows the scientific system of

problem solving to a significant degree (Thomas, Silverman & Nelson 2015:21). A combined approach was deemed appropriate to determine the needs and capture views of stakeholders regarding the impact of social entrepreneurs on community development.

Research sites

This study was conducted within the Cape Town Metropolitan Municipality area, the target population being social enterprises and charitable organisations operating within the metropolis and adult residents of two townships, Khayelitsha (Harare) and Gugulethu (Section 21), both of which face similar socio-economic and infrastructural challenges and where underdevelopment, poverty, unemployment and crime are rampant. These townships are major areas where social entrepreneurs operate.

Sampling technique and sample size

The sampling technique used was non-probability. According to Babbie (2013:199), this technique is relevant when conducting social research in which samples are actually selected in particular ways not recommended by the probability theory. On this basis, sample selection was based on snowball sampling.

The sample size for the study was 73 participants, consisting of selected adult residents of Khayelitsha (Harare) and Gugulethu (Section 21), social entrepreneurs and social organisations operating in these townships. To collect primary data, the sample was selected using the margin of error formula. For interviews, 15 participants were selected as follows:

- five social entrepreneurs in Khayelitsha and Gugulethu;
- five social organisations in Khayelitsha and Gugulethu;
- five residents of the areas where social entrepreneurs are operating in Khayelitsha and Gugulethu.

The sample for the survey questionnaire consisted of 58 participants, constituted as follows:

- two social entrepreneurs in Khayelitsha and Gugulethu;
- six social organisations in Khayelitsha and Gugulethu;
- 50 residents of the area where social entrepreneurs are operating in Khayelitsha and Gugulethu.

Data collection instruments and procedures

As the study had qualitative and quantitative dimensions, two different data collection instruments were used. The qualitative approach was used to elicit participants' views, with interviews being the method of data collection. Specifically, semi-structured interviews were used on the 15 selected participants because they facilitate extraction of maximum data based on prior idea of the study questions. The interviews were conducted to support and provide complementary data to the questionnaire. Interview

questions were designed in accordance with the research questions in order to obtain views regarding the impact of social entrepreneurs on community development.

The quantitative approach was used to investigate and measure attributes. The data collection instrument used was a questionnaire in order to answer 'what' or 'how' questions. This was the preferred data collection technique because it was reasonably quick to collect data from stakeholders. The questionnaire was administered by handing it out to selected participants in Khayelitsha (Harare) and Gugulethu (Section 21) townships. Included in the questions were items regarding stakeholders' status, workplace, contribution and community experience. Questions relating to community development were asked using open- and closed-ended question formats. The questionnaire was distributed to the 58 identified participants at the selected townships with a request to return them completed within a month. All 58 participants completed and returned the questionnaire.

Data analysis

Data analysis means organising, providing structure and eliciting meaning (Polit & Hungler 2001:Online). Primary data were captured, cleaned and analysed. Microsoft Excel was the main tool for qualitative data analysis. Quantitative data were analysed by allocating 'A' to all participants, while data attributed to individuals were identified by numbers and each question represented by 'Q'. Thus, A1 would represent responses of participant 1 and so on. Quantitative data, which were summarised and presented in tables, pie charts and bar graphs, are not reflected here. Analysis of qualitative data was an active and interactive process, which started soon after conducting the first interview.

Validity, reliability and trustworthiness of the study

According to Polit and Hungler (2001:Online), validity refers to the accuracy of the data. Validity exists when the research findings reflect the perceptions of the people under study. Validity is important in qualitative research as researchers are able to demonstrate the reality of the participants through detailed description of the discussion. To achieve validity in this research, methodology and data collection were carefully aligned and the interpretivism approach was used to reveal the different opinions on questions given by individuals in a social environment to understand the social impact on stakeholders. Consistency is the main measure of reliability (Polit & Hungler 2001:Online). A pilot study of the questions was performed to pre-test the questionnaire in order to enhance reliability. Reliability refers to stability of data over time and over conditions. A dependable research study should be accurate and consistent. Reliable data are dependable, trustworthy, unflinching, authentic and reputable, which were attained by using the mixed methods approach to deal with the research problem and research question from different angles (Ivankova & Greer 2015:65). The combination

of qualitative and quantitative approaches within a study was utilised because it generates more credible and persuasive conclusions about the research problem.

Ethical consideration

Before the study was undertaken, an ethics clearance certificate was obtained from the Ethics Committee of the Faculty of Business and Management Sciences at the Cape Peninsula University of Technology. Furthermore, the following ethical issues were addressed in the course of the study:

- Voluntary participation and withdrawal: participants agreed to participate of their own free will and were assured that they could withdraw at any time if they wished.
- Plagiarism: all sources cited are properly acknowledged in compliance with the requirements of the Harvard system of referencing used at the Cape Peninsula University of Technology.
- Informed consent: prior to conducting the interviews and administering the questionnaire, the participants were briefed on the purpose of the study and their informed consent was obtained.
- Privacy: the right to privacy was respected as no questions intruding on privacy were included in the interview schedule and/or questionnaire.
- Fair treatment: all participants were treated with an equal degree of respect.
- Anonymity and/or confidentiality: a form of coding was used such that the collected data could not be attributed to specific participants.

Main findings

Three clarifications are necessary. Firstly, findings from semi-structured interviews, which supplemented the questionnaire, are not presented because the latter had key questions regarding impact of social entrepreneurs' activities on community development. Secondly, although 58 questionnaires were completed, eight of the participants were organisations (two social entrepreneurs and six social organisations) who were objects of the impact assessment. As such, findings relating to these entities are excluded. In short, then, only findings pertaining to the 50 residents of Khayelitsha (Harare) and Gugulethu (Section 21) townships selected as primary informants and potential beneficiaries are presented. Thirdly, these findings cannot be generalised, not only because of the small sample size but also because of its unrepresentativeness.

Positive role of social enterprises in community development

The majority of participants (46, 92%) agreed that social enterprises alleviate socio-economic challenges by providing support to deprived communities through counselling, educating, equipping the youth and creating jobs. Further, participants added that social organisations and social entrepreneurs of different sizes and profiles around the area

play a significant role in the communities of Khayelitsha and Gugulethu by providing health care. This aligns with the State of South African non-profit organisation (NPO) Register report (Register SoSAN 2012:2), which points out that since the authorisation to register non-governmental organisations after South Africa attained independence, these organisations continue to have an important role in providing the residents of rural areas with services related to improving socio-economic problems such as health, education, environment and family planning.

Focus areas of social enterprises

Four main areas, namely combatting social exclusion (15, 30%), fostering local development (13, 26%), being a good source for job creation (10, 20%) and stimulating economic development (9, 18%), emerged as the main aims of social enterprises in the areas social enterprises operate.

Non-involvement of communities in development process

Social enterprises do not involve communities in the process of development, which may compromise the process of developing communities as those in need are left out. Community development requires direction from those who know their needs. Lombard and Strydom (2011:333) state that local communities have been viewed for years as important entities for development strength and that community development has to include those classified as beneficiaries trapped within the socio-economic problem. For the authors, community development is all about local communities supporting programmes presented by social enterprises. Residents of Khayelitsha (Harare) and Gugulethu (Section 21) townships are willing to help social enterprises alleviate problems by providing physical support and time. Such collaboration could bring positive change that would eradicate socio-economic problems.

Community development requires social enterprises to involve local people in the process. It can be argued that involvement of local people by social enterprises in the pursuit of community development is important because local people know what their communities need. Secondly, it is through synergy that stakeholders can better solve a social problem. Additionally, synergy between social enterprises and local people brings all stakeholders to have a big picture of the problem and share the same goal. Weyers (2011:154) states that the concept of community represents a system that extends to sub-systems that jointly unite forces to overcome certain issues for the common good. Further, the author states that the intervention must take place at a public level as community leaders and members are well placed to identify and deal with their needs and problems.

Social enterprises need to present plans for community development

Social enterprises' plans for community development in Khayelitsha and Gugulethu are not presented to

the communities. Designating community leaders to liaise and publicise such plans could assist in this direction. Ledwith (2005:15) notes that the procedure used to develop communities requires involvement of external and internal stakeholders' initiatives that can be implemented towards improving the lives of people in the communities. By taking part in community development, social enterprises hoping to transform areas usually struggle to implement activities aimed to produce what the communities need. Hall and Midgley (2004:75) observe that the motivation of local communities' participation underlines the importance of an activist style that promotes empowerment, self-determination and community-based poverty eradication programmes that place great importance on socio-economic activities.

Activities of social enterprises are not well implemented to develop the community

An overwhelming majority of participants (34, 68%) indicated that the activities of social enterprises are not well implemented to develop communities, which aligns with the findings of Ledwith (2005:16), who noted that the procedure used to develop the community requires involvement of external and internal stakeholder's initiatives to improve the lives of people in the communities. By taking part in community development, social enterprises hoping to transform the area, usually struggle to implement their activities aimed at producing what communities need as these organisations use of resources do not result in attaining their objectives.

Social enterprises play a crucial role in deprived communities

Most of the participants (31, 62%) agreed that social enterprises' activities meet the demands of Khayelitsha (Harare) and Gugulethu (Section 21) township residents. Social enterprises play a crucial role in local communities by creating new opportunities in terms of employment, income growth, enhanced provision of services, increase in local income retention and engaging the community in development programmes. Other initiatives include training, workshops, counselling, sewing, providing critical information and delivering food parcels. This finding falls in line with Di Domenico, Haugh and Tracey (2010:698), who acknowledge that through education and social integration social enterprises create social value for communities as the government is usually limited in deprived areas, thereby establishing a new order. Additionally, this finding is in line with Ulleberg (2009:8), who observes that most activities and initiatives of social enterprises activities are designed to improve beneficiary capacity through introducing training, technical advice, exchange of experiences, research and policy advice. Further, the finding links with Uvin, Jain and Brown (2000:1409), who suggest that non-governmental organisations can boost their orientation to promote change by implementing their capacity through the use of activities and initiatives such as information sharing, training, consultancy and advice.

Unclear impact of social enterprises' activities, but some palpable change

Less than half of the participants (20, 40%) acknowledged changes in training, people's mentality, poverty levels and attendance of young people at school, which they attribute to activities of social enterprises. These findings are similar to Evoh (2009:Online), who found that through social entrepreneurs' initiatives, social organisations impact the communities they operate in as they develop certain skills such as communication, self-knowledge and self-esteem, which are great qualities essential in today's knowledge society. However, the majority of participants (30, 60%) indicated that they did not see any impact, which is in agreement with the findings of Jafta (2013:Online), who illustrated that what social entrepreneurs usually attempt to achieve is immeasurable and the impact may not be visible or appear in the future.

Outcomes of social enterprises' activities trigger community development

That there is a relationship between the outcomes of social enterprises activities and community development is clear from the response of 45 participants (90%), which is in line with the findings of Jafta (2013:Online), who used the example of the Cape Town Carnival outcome as a tool to attempt creating employment and training opportunities in cultural initiatives and give an opportunity to communities to develop the clothing industry through art and culture. The results indicate that outcomes of social enterprises' activities have given rise to community residents having occupations and things to do that contribute to development. Residents have succeeded in fixing their needs and overall socio-economic and cultural status through outcomes of social enterprises activities such as training and education.

Improvement of weak monitoring of outcomes to increase impact on community development

Most of the participants (35, 70%) indicated that social enterprises do not monitor the outcomes of their activities, while 15 (30%) stated that they monitor outcomes emanating from their activities, with 30 participants (60%) citing the frequency of such monitoring 'Every month', 14 (28%) 'Every week' and 6 (12%) 'Every year'. The importance of monitoring activities and outcomes is emphasised in studies focusing on impact. As such, it is essential for social enterprises to institutionalise effective monitoring. Given this, the participants suggested the following: focus more on drugs, which is causing havoc among the young generation; provide them with education bursaries; advertise the developmental approach; continue with more workshops and get communities into agriculture and culture.

Unsustainability of social enterprises' outcomes

Most of the participants (32, 64%) indicated that the outcomes of social enterprises' activities are not sustainable enough to

trigger development as people give up quickly on these outcomes. The reason behind unsustainability is that activities relapse quickly from time to time. This finding resonates with the findings of Gilliss (2011:256) who pointed out that, in practice, this is a major issue as social enterprises are unable to create sustainable activities to maintain the sustainability of their outcomes.

Social enterprises' activities do not alleviate communities' problems

Social enterprises' activities do not alleviate the socio-economic issues communities are experiencing. This resonates with Herrington and Turton (2012:Online), who show that the number of entrepreneurial activities in deprived areas is low and an upward trend has not been maintained, which can make it difficult to alleviate problems in the communities. Social enterprises do not alleviate poverty. Residents of Khayelitsha (Harare) and Gugulethu (Section 21) townships are willing to volunteer their skills and time, as well as provide ideas in order to support social enterprises' vision. It is claimed that social enterprises do nothing regarding poverty alleviation because they do not involve people who have ideas and instead make themselves rich, while their activities are unsustainable.

Recommendations

The need for social impact measurement in the Cape Town Metropolitan Municipality area to highlight the role of social entrepreneurs in community development is paramount. Social entrepreneurs need to monitor the outcomes of their activities to ensure potential impact on community development as they sometimes use resources to monitor measures that do not positively contribute to attain their objectives. With a view to strengthening the work of social enterprises in community development, the following recommendations are made.

Involve beneficiaries or local people in the process of community development

Social entrepreneurs must keep in mind that community development should involve those classified as beneficiaries trapped within the socio-economic problem. Involvement ensures more control and balance on what needs to be done to develop the community. Forms of support such as volunteering, finding sources of donations and communication from local residents are helpful.

Advertise or market or publicise programmes

Instead of waiting for local people to come and find out what programmes will satisfy their needs, social entrepreneurs should make their programmes known to local people via various means, including door-to-door distribution of detailed flyers, social media or through events. Designating community leaders to liaise and publicise community development plans.

Conduct needs analysis

To support community development, social entrepreneurs should request direction from local people, who know their needs best and how such needs might be met.

Plan

Plans for community development in deprived areas, such as Khayelitsha and Gugulethu townships, need to be clearly defined using simple means that communities understand.

Liaise with local population to realise vision

It is essential to reinforce measures such as monitoring, motivation and providing advice to township residents in order to promote local development.

Conclusion

Social entrepreneurs are recognised as a powerful change agent for developing communities. The Cape Town Metropolitan Municipality area presents a range of problems related to socio-economic sectors such as education, health and housing, which social entrepreneurs see as opportunities to make a difference in the lives of residents of Khayelitsha (Harare) and Gugulethu (Section 21) townships. It is clear that although social enterprises play a crucial role in community development in these deprived communities, their activities do not alleviate the communities' core problems and their impact is minimal owing to shortcomings such as the non-involvement of local people, unsustainability of their activities' outcomes, lack of plans to present to communities, poor implementation of activities and weak monitoring of outcomes. It is expected that the implementation of the recommendations made will assist in improving the impact of social enterprises on community development in Khayelitsha and Gugulethu townships. Further research using a large representative sample to facilitate generalisation would be instructive.

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Competing interests

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Authors' contribution

R.N-I. wrote the dissertation on which this article is based, which was supervised by M.O.D. The initial draft was prepared by R.N-I. and M.O.D. refined and produced the final article.

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