

Key Challenges and Their Strategic Solutions: A Qualitative Enquiry of Social Enterprises Working in Pakistan

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Abstract

Social entrepreneurship is a vast growing economic phenomenon that is being studied in academic research. Social entrepreneurship explores new boundaries for policy makers to transform the economic growth and development of a nation. It represents the future of service sector by applying innovation and providing potential opportunities for new job creation. According to the study from a developing country like Pakistan, the research concludes key challenges faced by social enterprises that represent a broader picture of the phenomenon. According to the need of better understanding the operations of social enterprises, this research also provides six key solutions that, if implemented, will help to achieve welfare and economic growth of the country. Based on the data collected from 24 semi-structured interviews of 12 different social enterprises operating in Pakistan, this research provides useful insights to laying the foundation for further development of a theory of social entrepreneurship. The key challenges identified and the solutions provided will help to develop a rich understanding of the multi-disciplinary phenomenon. By combining key concepts through comparing and contrasting the existing scenarios and then providing their effective solutions will help such social organizations to effectively achieve their missions by creating a social value in the society.

Keywords

Social Enterprises, Challenges, Solutions, Developing Country, Pakistan

1. Introduction

Developing and underdeveloped countries consist of more than eighty percent of the world population. The majority of the total population living in these

countries is mostly considered as uncertain and informal which is living below the poverty line (Goyal, Sergi, & Jaiswal, 2016). Social entrepreneurship is widely considered as social value creator for these segments and an important source to economic development and growth. From the last two decades, the changing conditions of providing welfare and the development of new advanced technologies have given rise to a new form of social enterprises with unique characteristics. These social enterprises are not only comprised of providing social benefits to the community but also provide employment opportunities through self-sustained models.

Social enterprises always act as a bridge for social and economic value creation specifically in the times of social hardships (Carnini Pulino, Maiolini, & Venturi, 2019). Ultimately, social enterprises contribute significantly for solving social issues that cannot be solved alone by the government (Huybrechts & Nicholls, 2012). Despite the increased trend of social entrepreneurship, the definition of the phenomena remains somehow confused and unclear. Previous academic research has highlighted its various perspectives and related dimensions but the solutions which suggest solutions for the challenges faced by social organizations in developing countries remain an under-researched topic. Furthermore, the analysis of social enterprises with its multiple dimensions results in a hybrid and dynamic nature of these organizations which needs to be explored thoroughly (Seelos & Mair, 2007).

This article discusses the key challenges faced by social enterprises operating in Pakistan and solutions which are important for their growth and development. It discusses concepts originated from the literature and from the data. This paper will help in understanding the hybrid nature and operations of social enterprises which are affected by different challenges. The chapter is structured into following sections: it begins by conceptualizing the nature of challenges for different types of social enterprises in academic literature. This section also explains the effect of challenges on the working of social enterprise and well-being on the society. The subsequent section discusses the research methodology adopted for this study. Furthermore, in section 4 seven main challenges are explained separately by comparing and contrasting different thoughts of the respondents with the existing literature. Moreover, this research also explains six solutions in section 5 which can generally be seen as the future directions to streamline the operations of social enterprises working in the context of a developing country like Pakistan. Finally, this paper concludes by shedding light on theoretical and practical assumptions with lessons for future research.

2. Literature Review

When a social enterprise avails an opportunity and initiates the process, there come many challenges that are not analyzed before initiating the particular process. In social entrepreneurship, innovation leads towards a more effective, efficient, and sustainable solution for a social problem and value creation bene-

fits whole society rather than individuals (Oeij, van der Torre, Vaas, & Dhondt, 2019). In adopting an innovative solution and by facing common barriers, a social enterprise can face different types of challenges (Oeij et al., 2019).

These challenges affect the operations of social enterprises which results in a non-availability of quality resources for society for which they are working. These challenges affect a social enterprise in different ways depending on the objectives they set to achieve their missions. Some organizations are more worried about their profits while others have more concerns about their loyalty (Mair et al., 2019). Similarly, some enterprises are concerned about introducing new products or some useful social services in the market which is necessary for their growth and survival (Huybrechts & Nicholls, 2012). The effect of these challenges to social enterprises will affect the targeted community and society accordingly. When these enterprises are not able to gain their inputs then how they can deliver their services effectively? For smooth working of such enterprises, it is necessary to provide effective strategic solutions to their challenges that can be achieved through various empirical studies and through grants from government and charitable institutes (Goyal, Sergi, & Jaiswal, 2016). The introduction of innovative methods is the result of the problems faced by these enterprises and due to insufficient resources, these innovative methods are also affected (Dawson & Daniel, 2010). The phenomena of social enterprise are complex to deal with as the market segment where these enterprises operate also involves complexities related to competition, customer, cultural values, infrastructure, human and capital resources, and policy level dimensions (Goyal et al., 2016). In the early challenges of social entrepreneurship, one important point identified by Renko (2013) is that without efforts of conventional entrepreneurship, it is difficult to build a social enterprise on a primary reason to create social value in a society. In gaining support from government, incumbents or other institutions while introducing an innovative idea may be challenging due to their bureaucratic mechanisms. Ultimately, the primary objective of delivering social benefits by social organizations effect when they try to collaborate with conventional businesses whose primary interest of money making came across and then resulted towards different challenges (Renko, 2013).

Therefore, for social viability these social enterprises need to design channels to create awareness, ensuring availability of resources and their mobilization, investors and stakeholders mind set, organizational set up, and accessibility to needy segments (Goyal et al., 2016). For building new ventures and entering into innovative ideas these enterprises have to prove their potential with a few formalized tools which exist for social performance measurements and may face greater resistance than the introduction of new commercial product or service (Renko, 2013). Some social enterprises own personal involvement in the process that results in creating a subjective biasness that creates resistance in management decisions that are required for effective social processes. Such biasness creates challenges in involving some of the stakeholders that do not share such personal beliefs to social mission that they are trying to achieve. The roots for an

inappropriate mechanism of a state belong from the history of colonialism and corruption which resulted in ineffective organizational structures that restrict social growth (Pal & Altay, 2019). If these enterprises are working in lieu of state then the state must be held liable to introduce an effective and working environment for them. The support from state or other sources in terms of productivity, human or physical capital, financial and technological is necessary for smooth running of their operations. This research will help in providing effective strategic solutions that will be helpful for these enterprises to achieve their dual missions. It will also help state and policy makers to design an effective policies and procedures in providing a favorable working environment. Next section discusses the methodology adopted for this study.

3. Methodology

An inductive, qualitative approach was adopted by considering the exploratory nature of this study. In qualitative research, open ended designs, themes, and theoretical perspectives are emerged from the data that help to develop a rich understanding of the concepts (Bryman, 2016). The flexible nature of qualitative research will help to explore the related concepts of social entrepreneurship more deeply. Social enterprises are considered as an important part of a society particularly in the context of a developing country. Therefore, to develop an in-depth analysis of multi-dimensional phenomena of social entrepreneurship, it was important to adopt a methodology that itself gather thoughts and emotions of the respondents.

24 semi-structured interviews were conducted from 12 social enterprises working for different social sectors of Pakistan. Different views and thoughts of the respondents help to analyze each concept deeply with the changing nature of social enterprises. A complete list of interviewees, social enterprises and their targeted sector is provided in **Appendix**. Data collected was further analyzed through thematic analysis techniques that help to find, interpret, and report theme within the data (Braun & Clarke, 2006). Additionally, Computer Assisted Data Analysis Software Package (CAQDAS) was used to ensure transparency within the data. NVivo software was chosen to handle qualitative data more efficiently. Next section will explain the seven key challenges along with analysis and discussion of each of them.

4. Key Challenges Faced by Social Enterprises

Challenges in social enterprises exist differently in different organizations. The challenges faced by social enterprises vary due to different in their organizational mission, type of beneficiaries, targeted community, country situation, culture around and stakeholders. In a developing country like Pakistan, seven main challenges were identified that are generally faced by most organizations these are 1) Limited finance 2) Cultural Problems 3) Lack of skillful staff 4) Limited Resources 5) State Level regulations 6) Implementation of projects 7) Awareness. Each of these challenges is discussed below:

4.1. Limited Finance

One of the most major and common challenge faced by most social enterprises is that of limited finance (Caulier-Grice, Kahn, Mulgan, Pulford, & Vasconcelos, 2010). Limited finance is a challenge but it differs from one organization to another since new social enterprises face it more acutely. But those organizations who are working for more than a decade face financial challenge from late donations or investments that results in late completion of projects. Social enterprises that work on some innovative and unique idea usually do not face this challenge. People invest in a creative business idea because a creative business idea ensure the profit that attract the investor, for example, TurrLahore is working with an innovative idea of creating awareness among the elite class about the history of Lahore city and making a difference in the tourism industry through their unique tours. Therefore they do not face any kind of financial problem. The co-founder from the same organization summed up his approach as:

I think money is not the problem although a lot of people say this but it is the smallest problem because when you can bring an idea you can bring money also. At least in our industry finance is not the issue.

But those organizations that rely completely on donors mostly face financial challenges. As the project manager of a not-for profit organization deemed the phenomenon as:

Yes, in the time of financial crises we had to lay off people we had to shut down our office in Gujranwala because there were no projects. We do not get salaries for 2 - 3 months, we just have to be active like if one project is finished we have to apply for the other one and this is the time new projects are coming and old are finishing.

To meet their financial crises, social enterprises also adopt different methods of fundraising, for example, they charge administrative costs, a minimal amount of fees from beneficiaries, sell merchandizes on some high price, and raise funds by selling tickets for movie nights (Kerlin, 2010). These are some of the steps taken by social organizations to maintain a financial reserve to recover themselves in times of financial crises. Moreover, if social organizations are surviving and growing from a long tenure then this means that they are getting projects and funding. The problem of finance arises differently in different organization and depends on their organizational mission. The director of social health organization explained that the problem of funding is removed and now they always have enough funds for their operations. As he commented:

In Pakistan, people donate a lot and also all around the globe therefore we do not face any such problem now but initially we faced it due to lack of trust.

4.2. Cultural Problems

Culture is a source of innovation and encourages social enterprises to introduce

an innovative program but on the other side it also acts as a barrier for them to achieve their social missions (Pal & Altay, 2019). For example, seven years ago when PYR started their street school project, the culture around the school encouraged them to introduce their project. As that area was very less developed with no proper infrastructure and people had low living standards. These socio-environmental problems encouraged them to introduce their street school project. But on the other side, environment and culture gave them a tough time in executing their project. For example, there exists gender discrimination in such remote areas and therefore the western appearances of the volunteers were not acceptable by the community. They had to answer different questions by the local authorities and faced the challenge of encouraging the community members for sending their children to their school. In this way, environment and cultural constraints affect the working of these organizations and sometimes they have to shut down their project when these cultural barriers are out of control. While explaining about cultural challenges, the project manager of a micro-finance organization commented:

Gender discrimination is a very big challenge that we face in societies, as we have women lead business model so when we go in a new area like in Khyber Pakhtu Khawa they have a lot of demand like dealing with only female staff, convincing them was a challenge.

Although before initiating the project these organizations try to mitigate the demographics and cultural constraints. They conduct awareness campaigns to interact with the community. Still some cultural challenges come across after the implementation of the project, for example, the work of CARE Foundation who reinvents the existing public schools faced lot of restrictions. Even after getting paid, the teachers of such schools do not come to school regularly. When the project was initiated by CARE Foundation, the teachers were forced to come and sometimes the organization had to take legal actions for it. The complete understanding of the market and its requirements is a problem. It took a research of five years before initiating Kashf and in all these years they analyzed the environment, culture and exact needs of the people according to the economic condition of the country.

4.3. Lack of Skillful Staff

Human resource is one of the most important resources for social enterprises mainly for two reasons. First, the employees of these organizations are mostly attracted by intrinsic factors like co-operation, organizational mission, individual value, and self-actualization (Brown, Yoshioka, & Munoz, 2004; McMullen & Schellenberg, 2003). Secondly, for the strategic positioning of social enterprises employees are considered as the most critical stakeholders (Manimala & Bhati, 2011). For successful projects implementation, these organizations need skillful staff because sometimes the technical requirements of their project force them to take help from the experts of the field. So, when they deliver the projects, they

have to pay higher amount which increases costs. Social enterprises that are working for a long period of time also face the challenge of skillful staff. Besides having a bigger volunteer network, they still face a challenge of having the right type of volunteers as everyone does not have the aim of serving the community without getting benefits. The comment from one of the participant described the situation as:

There is an issue of volunteers with NGP because I think volunteers do not have the same capacity and not everyone wants to serve the community, some wants to have benefits from the community and that's the human nature you want to get benefit for what you do.

Primary assets of an organization are human resources, the pressure towards the change cause a lot of stress in human resource management (Manimala & Bhati, 2011). Sometimes, it is easy to bring in people but to train them and to build their capacity is a difficult task. For capacity building, the new employees must be fully aware of organizational environment, its culture, mission, vision and operations. To achieve commitment of the employees, it is important that the new ones must understand the accents of the organization. Bringing skillful staff together is however, a very central aspect of a project. Engaging skillful staff is a challenge for some social enterprises while an opportunity for some established social enterprises to maintain their name.

4.4. Limited Resources

Social enterprises work with minimum input to gain maximum output and for this they have to operate with limited resources. The hybrid nature of social enterprises and the combination of for-profit and not-for profit mitigate this problem to some extent (Laratta et al., 2011). Achieving the success of a project with limited resources is always a challenge. For example, although Sundas Foundation is working as the biggest collection center of blood donation but it still faces the challenge of limited blood and they are always in need for blood. This happens particularly at the time of summer break in educational institutes as these educational institutes are their biggest blood resources. Social enterprises gather a lot of innovative ideas that does not become applicable due to limited resources. This not only affects the growth of the organization but also the welfare of the society and the community in which they need to introduce the projects. Since these organizations work in environments that need different resources, therefore successful projects require some essential resources. As one project manager from a youth development organization describes the situation as:

We always have a problem of limited resources due to which we have to say no to a lot of things, we have to disappoint our beneficiaries because their demands increases, sometimes they are too high and if you are working with government you cannot say them no. We have to meet those requirements and therefore we have limited resources and then we have to delay

their salaries also.

Achieving and maintaining effective and creative products and service delivery is a challenging task for social enterprises especially for those who generally have a scarcity of resources (Laratta et al., 2011). But there is one more important fact that with the passage of time, these social organizations become routinized by reconciling the conflicts arising from resource allocation. According to Bacq, Ofstein, Kickul, and Gundry (2015), resource scarcity in a social enterprise helps them towards innovative actions and such actions towards innovative solutions make a much deeper social impact.

4.5. State Level Regulations

Social enterprises work to assist the state in their operations in achieving welfare for the country. Instead of being facilitated from the state these organizations face a lot of state level regulations which becomes a big challenge for them to operate. Social enterprises do not have a defined legal status from the state. Therefore, while choosing a specific legal form different problems arises in defining benefits and limitations for these enterprises (Laratta et al., 2011) which sometimes conflict with their organizational values. Those social enterprises who are working for a long period of time in the field face the challenge of consistency of policies. While those enterprises which are new in the field face the challenge of registration. Therefore, state level challenges are different for different organization depending on their stage in a life cycle of an organization. But there are some issues from the state which create difficulties for all type of social enterprises that include law and order situation of the country, certain permissions to access the area, economic condition, and bureaucratic structures. As one of the participants summed up its approaches by commenting as:

In development sector situation is bad, there is a kind of crack down from the government, we have to snatch the opportunities but I would not say it's a failure of state as check and balance and verification is the work of state but the mechanism needs to be better because organizations like us and people like me who are answering multiple people and security agencies and we have a tension on daily basis regarding what proofs to give them now.

Laratta et al. (2011) highlighted the case of social enterprises in Japan by comparing the challenges with other developed countries. In Japan, the government has not introduced any tax incentives for non-profit sector and not invested much like other developed countries; this resulted in a lack of trust from public for non-profit sector. Government could act as an originator, adopter, or promoter for achieving social impact by working with social enterprises (Shockley & Frank, 2011). State assistance is a need for developing social enterprises therefore government must help in growth of social enterprises towards achieving a welfare state. The government can contribute towards the development of

social enterprises by reconstructing development sector, creating and setting up local economy models for rural areas, and creating employment opportunities (Bacq et al., 2015).

4.6. Implementation of Projects

There exist challenges for social enterprises before initiating a project but challenges also exist while implementing the particular project and even after its implementation. The implementation becomes a problem when a law exists but no one follows it, when there is a need to work collaboratively but no one wants to, when there exists a policy but no one tries to read it. Other than legitimacy, a potential for-profit organization will consider the risk associated with the missions of these social enterprises. One of the major risks within these SEs is that they might prioritize their social missions over commercial aims (Laratta et al., 2011). Therefore, the commercial sector mostly avoids working with such hybrid enterprises that creates problems for them in future. For example, Bargad had designed youth policies for every province but he still needs a lot to be done for their implementation. Regarding the implementation of laws for transgender the project manager mentioned:

Primarily we target a lot of aspects, in terms of legal aspects the only problem we face was the implementation of the laws, recently when the bill was passed for the rights of transgender but their implementation is still not done, so we plan to target the institutions of law making in order to see what is lacking behind that stops them from the implementation.

Implementation of the project also faces operational challenges due to which projects are not able to complete on time. Sometimes the donor demands the execution of the project in a specific time frame which is not possible for these organizations as they have to complete all the stages for its execution. Implementation also becomes a problem when they do not get the permission to access the area to execute the project. In such situation, the project fails or the organization has to cease their operations.

4.7. Acceptance

It is not easy for social enterprises to make their presence acceptable to the community, as it is difficult for the community members to trust someone at first. In Pakistan, making society acceptable to the change is a challenge for these social enterprises. Similar, in Japan the general public perceive volunteer and not-for profit sector as “second class” sector and less trustable than commercial or for profit sector (Laratta et al., 2011). Likewise, the emergence of new legal forms of social enterprises with innovative solutions in U.S and U.K lack acceptance and awareness (Battilana & Lee, 2014). Although they work for their welfare but still different type of stigmas exist which later become challenges for social enterprises to overcome. For example, when Kashf introduced their projects in rural areas of the country they faced challenge of acceptance. At the initial

stage, no one accepted the fact that women can work from such remote areas. The banks thought that those locals will misuse the money and will become a burden for them. On the contrary, situation was different, not only the loans were returned but their businesses were also established in those areas. Similarly, when NGP introduced the project Pehchan for transgender they faced a big challenge in the society to accept the fact that they can also work. The manager commented as:

We need acceptance and awareness, as people still do not know what these NGOs do and still there exists a stigma about them. I have been working since 5 years, before coming here I thought that this stigma didn't exist but still it is there.

5. Solutions for Effective Working of Social Enterprises

For a society, social enterprises act as a catalyst or change makers due to their wider impact (Mair et al., 2019). Therefore, it becomes important to identify novel solutions which help them towards providing a better working environment within the hybrid nature of these organizations. Six key factors were identified that are considered necessary to discuss after analyzing the three broad themes related to SEs. These include 1) State Assistance 2) Entrepreneurial activities 3) Awareness 4) Strategic Planning 5) Youth empowerment 6) Linking with sustainable development goals (SDGs) 2030. Each of these six is discussed in this section below:

5.1. State Assistance

According to Renko (2013), social enterprises should go beyond the conventional ventures and need to collaborate with the government organizations, who are the historic providers of social benefits. Problems of welfare states that are addressed by social enterprises are not temporary and could not be removed by usual public welfare systems (Ianes, 2016). Therefore, it becomes important for the state to rely on social sector for which social organizations are dependent on state assistance. The assistance of these organizations will ultimately help to achieve welfare for the society because eventually they are assisting the state in providing those basic necessities to the targeted community which is a key responsibility of the state.

Many of the programs initiated by SEs shut down or failed only due to non-assistance from state and those programs that were designed to help the society (Kerlin, 2010). There is a need of regulating body and appropriate legislation from state level to legalize these social enterprises. Similar to what is done in South Korea, since 2006 the specific legal framework in South Korea and an active role played by the government helped in scaling social sector in the country (Sengupta & Sahay, 2017). Recently, a social entrepreneurship commission in planning commission of Pakistan has been developed but till now there is no policy or guidelines concerning social enterprises (Council, 2016). The need of

state assistance was realized by the participants as one of them commented:

Actually there is a lot of things that need to be done at state level, we lack in basic elements, we do not have payment portals as a company, no one wants to come in Pakistan we need financial reforms, we need start up reforms, we need reforms in the process of registration as well.

In Pakistan, one of the biggest problems the new social enterprises face is the process of registration due to non-existence of any specific legislation. Comments from the managers such as:

We faced challenges because when government is changed their policies also changed just like recently government introduced registration process. We initially wanted to register under company registration act 1860; however the registration of a company is very problematic because it is one of the greatest challenges for new social enterprises.

and,

You have obstacles on the way; some are so big that you cannot overcome them such as registration process, government regulations and bureaucratic characters and then the law and order situation of the country.

It's shown that the registration process is one of the major obstacles for social enterprises. Social enterprises in Pakistan are registered under seven legal forms available. Social enterprises not only face the challenge of choosing the legal form for registering but also have to face many different types of allegations due to which the process become tough for them. Policies and laws do exist but their implementation is a challenge which can be sorted by introducing reforms from top to down. By introducing reforms in tax system, including an appropriate definition of a social enterprise, and making registration process easy will surely encourage new and existing social enterprises to create social value in the society through their projects. As discussed in previous section, the role of state in the life of a social enterprise is important and without their assistance they are not able to survive. The relation between the state and a social enterprise is diverse, sometimes they are working with the state for their projects but frequently they are working on behalf of the state to assist them. The relation between both entities is complex and reversible, and which requires a detailed understanding of the theme "who is helping whom?"

5.2. Entrepreneurial Activities

One of the best things that social enterprises can do is to engage their beneficiaries in some kind of entrepreneurial activities and make them independent. Thus, they make revenues from the project and expand their business on their own. This not only allows beneficiaries to become sustainable but also allows organizations to grow because these organizations do retain their part from the revenues generated by the beneficiaries. For example, the reason behind the

growth of Kashf is that they engage the women from rural areas in entrepreneurial activities by giving them soft loans and after the success of the projects, they not only give back the loans with interest but also help the organization to retain its share from revenues. The project manager from the same organization commented:

We started a program in collaboration with Punjab government and in that we provide training to girls of Kasur and Larkana in which six months was of training and remaining six was of making their links in market, then by their own they started making small groups from their homes they earn income and then also increase it and produced good results.

Sometimes, these organizations only have to divert the minds of the community members towards business activities. Through proper guidance and training sessions they engage them in entrepreneurial activities (Huybrechts & Nicholls, 2012). For example, many women from rural areas are already doing such different activities like stitching, cooking, and knitting etc. and they only need guidance to convert their domestic activities towards different business models. While those organizations that are completely reliable on donations and funds for their projects mostly face some major problems for their project continuity. For example, PYR is facing problems in running street schools as school operations completely rely on donations from last 7 years. So, instead of completely relying on donations it is good to introduce such self-funded social programs that not only help beneficiaries to grow but also help in growing society and the organization (Méndez-Picazo et al., 2015).

5.3. Youth Empowerment

In a country where sixty five percent of the population is below 30 years of age, one can imagine the contribution that can get from youth by empowering this age group. As people in Pakistan trust youth and this trust is helpful for these social enterprises regarding their different activities for a social project. For example, all the operations of NGP are run by teenagers although they do have guidance from their professional board members. Teenagers and students in high schools are able to design projects from start to finish. Similarly, Sundas Foundation gets a huge collection for their blood from college and university going students. Then the volunteer network of Bargad is also the youth that give them innovative idea for their projects.

This capacity building of educated youth and creating opportunities for them by the state is important that help these social enterprises to grow (O'Donnell, Tan, & Kirkner, 2012). As a young professional you see a lot of different social issues that need to be addresses and wanted to do something to mitigate them from their surroundings. This does not become possible every time due to a lesser number of opportunities. By involving young people in social projects and then utilizing their endless talent and energy will surely help these social enter-

prises to achieve their social objectives.

5.4. Awareness

One important factor that will surely help to improve the performance of social projects introduced by these social enterprises is to raise awareness on a larger platform (Gupta, Beninger, & Ganesh, 2015). These social enterprises guide their beneficiaries while introducing a social project but this should be done on a regular basis and on a wider extent (Sengupta & Sahay, 2017). There exist gaps in a society which encourage the development of a social enterprise. These gaps need to be highlighted through guidance and awareness. While explaining this dilemma, the manager of a social enterprise commented as:

We make them socially aware and we tell them how important it is for them to take and give finance and make budget for their homes and then how to expand your business, we teach them business management and we tell them how to market your business, how to introduce innovation in your business and we tell them all such things. So, their social behavior is also changed towards society and they see value addition from their business.

The founding objective for Sundas Foundation was to help thalassemia patients and it was the only institute once of its type at that time. But now there are many others like that which means that such diseases and their patients are increasing day by day. There is a test before marriage for such diseases but people are not aware about it. These social enterprises are doing it by themselves but for the welfare of the society this is not enough. For smooth running of the projects, there should be public and community support. For improving the performance of the beneficiaries and removing these challenges, community trust and social acceptance are the most important things (Goyal, Sergi, & Jaiswal, 2016). If the community does not accept the project around them that these organizations will never be able to achieve those objectives.

5.5. Strategic Planning

One more important measure to improve the performance of these social enterprises is to include a strategic approach in their operations. Before taking any action, there must be specific details about the project. Action research and inclusion of strategic thinking in their operations will surely help to achieve the program objectives more efficiently. There is a need for these social enterprises to move from traditional approaches by just collecting money from donations and give to someone need towards different hybrid models. This can be done by applying strategic approach and one of that approach is to introduce self-sustained programs that either organization exists or not the benefits from that program does not stop (Pal & Altay, 2019). As one of the respondents explained this succinctly:

If your bases are not strong enough you cannot move on, you cannot handle your work in which research component and strategy development is important, to see farsightedness and to see your goals in next 5 - 10 years is important to realize and design their strategies.

To develop a new SE, there must be clear objectives, mission, vision, and targeted sectors for the effective working of its projects and other operations. These will surely help them to achieve program objectives, as the basic purpose of a social enterprise is to add value in someone lives by doing something innovatively. So, it is important for a social enterprise to work in specific sectors and designed their strategies accordingly.

5.6. Linking with Sustainable Development Goals 2030

In 2015, worldwide countries adopted the 2030 plan for Sustainable Development, and the 17 sustainable development goals (SDGs) with it (United Nations, 2017). These goals were meant to be achieved by the collective working of different sectors in which social enterprises can play a vital part (Littlewood & Holt, 2018). There are 17 life changing goals and 169 associated targets designed by UN in 2015 that are also known as Sustainable Development Goals (SDGs) and these are to be achieved by developing countries until 2030. These social enterprises need to align their organizational objectives with these SDGs to achieve welfare for the society. Due to newness of SDGs, a broad literature is required for investigating their relation with social entrepreneurship. But still some examples can be found. For instance, Rahdari, Sepasi, and Moradi (2016) explain the relation among SEs and SDGs through Schumpeterian theory and identified them as critical agents in this process. In another study, Ramani, SadreGhazi, and Gupta (2017) examine the role of SEs in achieving SDGs through sustainable management of water particularly in India. Meanwhile, the conceptual model of Littlewood and Holt (2018) highlighted the dynamic nature of SEs which expand on the number of SDGs to which they contribute. Other than the scholar around the globe, one of the managers from the social enterprises also put this point succinctly as:

Different Organizations work for different goals but a social enterprise in our country would be working for areas like poverty rate, education problems, and health issues and achieving towards SDGs 2030 and if we achieve those goals according to our country requirements, then we will succeed.

This explains the importance of linking social organizational strategies and objectives with SDGs 2030. This research is an addition to the existing literature of SEs and SDGs as the social objectives of most SEs aligned with the SDGs. This research has given a limited knowledge about the relation among SEs and SDGs and there is a need for more research. Nevertheless, it would be an early and useful contribution to the field and help in better understanding of important implications from the fruitful relation of SEs and SDGs.

6. Future Implications

This article provides theoretical and practical implications for development of social entrepreneurship in a developing country like Pakistan. Firstly, the changing nature of social enterprises must be studied with other related dimensions in different contexts. There are more challenges for social enterprises other than those discussed in this research that require more academic work to find effective solutions. Secondly, this research will assist policymakers to design policies in a way that help social enterprises to work efficiently and effectively in developing countries. Lastly, different research methods must be used to study different sector within social enterprises that would help for smooth working with their projects. Application of different research techniques in different contexts will help to develop a rich understanding of the multi-dimensional concept of social entrepreneurship.

7. Limitations of the Study

Due to the philosophical nature of this article, there are few concrete examples of social businesses that are included in this research. We have examined a different nature of social enterprises that are working in different sectors across the country. The study limits with only 2 interviews from each organization, in-depth analysis is required to understand the deep rooted problems for such organizations. More interviews must be conducted to identify more challenges of SEs in Pakistan. Other than qualitative research other research methodologies must be used to develop a holistic picture of the challenges for SEs. SEs are highly related with innovation, this creates a need to study more challenges associated with the innovation phenomena. Lastly, there is a need for ongoing conceptual work in formulating implications and evaluating them in terms of what they signify for a variety of different social entrepreneurial endeavors.

8. Conclusion

This article has discussed some major challenges that are faced by different social enterprises in Pakistan. In this article, major challenges regarding the emergence of social enterprises are being explained with the examples of different social enterprises of Pakistan. The variation between challenges from one organization to another will help to understand the working of social enterprises in a developing country. The reflection of the emerging themes with the quotations of the participants also helps the readers to have a rich understanding of the working of social enterprises. Additionally, six important suggestions will help for effective working of SEs in the future. These six factors would help as novel solutions in mitigating different challenges faced by SEs in different contexts. A conceptual of these different dilemmas will surely bring stellar achievements for social enterprises.

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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Appendix. List of Social Enterprises, Their Targeted Sector and Interviewees

Sr. no	Social Enterprises	Target Sector	Respondents Profiles
1	Kashf Foundation	Poverty & Gender equality	Project Manager (18 years) Program Manager (11 years)
2	TurrLahore	Economic Growth	CEO (5 years) Founder (5 years)
3	Bargad	Peace & Youth	Project Manager (5 years) Manger Operations Finance (2 years)
4	Alkhidmat	Education, Health, Clean Water & Sustainability	Project Manager (12 years) Project Manager (8 years)
5	NGP	Youth Empowerment	Project Manager (3 years) Project Manager (3 years)
6	Sundas Foundation	Health	Director (17 years) Medical Director (8 years)
7	Care Foundation	Education	Manager Operations (2 years) Program Manager (2 years)
8	RizQ	Hunger	Manager Operations (1 year) HR Manager (1 year)
9	SSWF	Sustainability	President (1 year) General Secretary (1 year)
10	PYR	Education	Co-Founder (10 years) Manager Operations (8 years)
11	EKhata	Industry & Infrastructure	Co-Founder (4 years) Manager Operations (4 years)
12	Grandeur Tech	Industry & Infrastructure	Co-Founder (4 years) Manager Operations (4 years)