

Measuring Community Development Through Social Entrepreneurship: An Analytical Perspective

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ABSTRACT

The present paper delves into the issue of the importance of social entrepreneurship facilitating community building in the context of the Dalit and tribal communities of Tamil Nadu, India. The study uses primary information gathered amongst 100 social entrepreneurs in marginalized groups and investigates how major entrepreneurial factors-such as innovation, prosocialbehavior, social risk-taking, self-efficacy, social networking, orientation to social value and perceived social support-influence the developmental outcomes, which include poverty alleviation, problem-solving capacity, social transformation and empowerment. Through the use of statistical analyses (correlation analysis and regression analysis and descriptive statistics), it finds that all the specified indicators of community development are positively correlated with the identified entrepreneurial traits at significant levels. In the conclusion of the study, the author opines that Dalit and tribal social entrepreneurs are the drivers of holistic and sustainable growth that can be attained using the socially grounded and community-based innovation.

Keyword:Social entrepreneurship, Dalits and Tribes Community Development, Innovation, Self-efficacy, Social transformation

1. INTRODUCTION

The use of social entrepreneurship to solve complex societal problems by finding creative community-based solutions has received growing academic and policymaking interest. In contrast to conventional business ventures, social enterprises carry a mission to generate social value, especially in arrangements that are characterized by systematic exclusions and socio economic margins (Bornstein & Davis, 2010; Dees, 1998). Social entrepreneurship has played an increasingly significant role in the Indian scenario as a tool of creating inclusive growth among the historically disadvantaged sections of the Indian population including Dalits and tribal communities. In India, structural constraints that affected Dalits and tribal populations are long-standing barriers to education, economic mobility, and political (participation) owing to the presence of traditional caste hierarchy, as well as the existence of socio-cultural discrimination (Thorat& Newman, 2012). The case of Tamil Nadu, a southern state that shares a complicated socio-political history, provides an appropriate context of marginalized people getting involved in entrepreneurship not only to enhance their own livelihoods but also that of their communities. In that context, the social entrepreneurship arises as the change agent that helps in the development of the community, its empowerment, and social justice. The study establishes important positive relationships between the attributes of entrepreneurship and the outcomes of community development using the statistical tools of correlation analysis, regression analysis and descriptive statistics. Such results support the position of social entrepreneurs of marginalized groups as the facilitators of long-term and systemic development, which highlights the importance of socially contextualizable innovation in overcoming both socio-economic inequalities and disproportionate global economic growth. This research cuts across the gap in the literature on inclusive innovation and grassroots development given the emphasis that is put on the lived experiences and developmental impact of Dalit and tribal social entrepreneurs. It also gives vital information to policymakers, development practitioners and social enterprise stakeholders interested in using entrepreneurship as a tool to drive equally prosperous development.

2. REVIEW OF LITRATURE

Social entrepreneurship has captured the interest of scholars all over the world with regards to its capacity to find solutions to longstanding socio-economic problems by applying innovation and community-based responses. In Indian society, especially among the marginalized Dalit and tribal population, studies have extensively been conducted regarding how entrepreneurship goes beyond the idea of profit making to generate social value (Gupta & Srivastava, 2021). Innovation in marginalized contexts has been thoroughly documented before- new solutions to local socio-cultural contexts help social entrepreneurs deal with the lack of resources and administrative gaps (Diwakar, Taibah, & Bhalla, 2025).

South African social enterprise Prosocialbehavior has become an important determinant of the success of social enterprises. Research in community-based motives in rural Tamil Nadu has demonstrated the positive effect community

oriented motives on the trust in the environment, ease of involvement, as well as the success of following through with development interventions (Selinger, 2019). On a similar note, there is an increased impact on social risk-taking or the willingness to venture into something, regardless of social frowning or doubtful revenues among Dalit entrepreneurs (Madaboyina, 2020). Self-efficacy has also received a lot of attention as an antecedent of entrepreneurial resilience. According to empirical research conducted on SC/ST entrepreneurs, self-efficacy or the feeling that one has the ability to muster and deploy resources is important in defeating the system of discrimination (Paramasivan&Selvam, 2015). Similar results are obtained in developing countries, which also vindicate the fact that entrepreneurs with high levels of self-efficacy make quick adjustments in the varied market and policy conditions (Rao, Sankaran, & Praveen, 2022). Social networking has a revolutionary dimension in connecting the marginalized entrepreneurs with mainstream market, non-governmental organizations and state agencies. It has also been stated that access to relational capital can speed the outcomes of growth as well as social transformation of the enterprise (Gupta & Srivastava, 2021). Simultaneously, an orientation towards social value, prioritising the good of the community over the self-gain, is consistent with the results of impact assessments of rural development schemes where mission-based models achieve more sustainable outcomes of poverty reduction (Diwakar et al., 2025). Lastly, both psychological and operational sustainability is determined by perceived social support. The risk aversion can be negated by the community approval in the tribal entrepreneurship case studies where entrepreneurs have been able to make personal investments in the long-term transformative projects (Selinger, 2019). Along the above factors, the empirical studies continue to reveal positive relationships between entrepreneurial characteristics and developmental impacts including poverty alleviation, ability of solving problems, societal transformation and empowerment (Madaboyina, 2020; Paramasivan&Selvam, 2015). This evidence base supports the case that the Dalit and tribal social entrepreneurs are vital forces of the wholesome, community-based Research Methodology

3. RESEARCH METHODOLOGY

This research was based on a quantitative, cross-sectional study that investigated the relationship between entrepreneurial qualities and community development of marginalised Dalit and tribal social entrepreneurs in Tamil Nadu. Data were collected using a purposive sampling technique where information was gathered as elements of innovation, prosocial activity, social risk-taking, self-efficacy, social networking, orientation to social value, and social support as independent variables, and community development as a multidimensional construct consisting of poverty alleviation, problem-solving, social transformation, and empowerment. Internal consistency was supported with a Cronbach alpha performance that indicates reliability of between 0.78 to 0.88. Secondary data was also used to supplement primary data supplied by the respondents in order to support the theoretical background with the help of previous academic literature. To summarize the data, descriptive statistics were employed, to obtain the relationship between entrepreneurship and community development, Spearman correlations were used, and multiple regression models were used to identify the most significant predictors of the community development results.

3.1 OBJECTIVE OF THE STUDY

1. To examine how social entrepreneurship can help develop the community among the Dalit and tribal marginalized groups in Tamil Nadu
2. To investigate how such essential entrepreneurial attributes and features as social support, self-efficacy, innovation, prosocial activity, orientation to social value, and social risk-taking the proceedings of crucial aspects of community development
3. To find out the best predictors of community development through the statistical tools of correlation analysis, regression analysis, and descriptive statistics.

3.2 HYPOTHESES

H1: The entrepreneurial self-efficacy has positive correlation with the composite community-development outcomes (poverty alleviation, problem-solving capacity, social transformation, and social empowerment) that occur between Dalit and tribal social entrepreneurs in Tamil Nadu.

H2: Social support and social networking are positively related to the community-development outcomes and these social-capitals are the mediator of the effect of self-efficacy on outcomes within communities.

H3: There is a positive interaction between self-efficacy and community outcomes and the moderating factor is innovation and prosocial orientation

1. RESULT AND DISCUSSION

1.1. Cronbach Alpha, as well as Internal Consistency Analysis

To analyse the internal consistency of the scales that will be used in this paper, Cronbach alpha (alpha) was used. As indicated in the table below, all the variables had a good internal consistency indicated by the value of alpha that was greater than the generally accepted of 0.70 (Hair et al., 2010).

Variable	Cronbach's Alpha (α)
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Innovation	0.84
Prosocial Activity	0.81
Social Risk-Taking	0.78
Self-Efficacy	0.86
Social Networking	0.79
Orientation to Social Value	0.83
Social Support	0.88

Findings show that items in a scale give very similar results and reliably estimate the same underlying construct. The Social Support scale and the Self-Efficacy displayed the greatest values of internal consistency (alpha = 0.88 and 0.86, respectively), and Social Risk-Taking showed the lowest (alpha = 0.78). The values are very comfortable to range within the acceptable range in terms of research.

Descriptive Statistics

All the variables, which were used in the research, have been processed as descriptive statistics, which are calculated on the basis of 100 individuals. All the results with the mean and standard deviation of each variable are shown in the table below.

Variable	Mean	Standard Deviation (SD)
Innovation	4.21	0.61
Prosocial Activity	4.12	0.58
Social Risk-Taking	3.96	0.63
Self-Efficacy	4.29	0.67
Social Networking	4.08	0.60
Orientation to Social Value	4.17	0.56
Social Support	4.31	0.64

All means of the variables are above the middle point of the scale of measurement (probably 5-point scale, taking the values into consideration), indicating that the participants were mostly high of such attributes. The highest mean method score was attributed to Social Support ($M=4.31$, $SD=0.64$), which means that the participants felt social networks offered them a rich amount of support. Self-Efficacy was also significantly high with a mean ($M=4.29$, $SD=0.67$), which shows that they have a strong belief in themselves. On the other hand, Social Risk-Taking was the lowest with the mean score ($M=3.96$, $SD=0.63$), but high enough.

All the variables have relatively small standard deviations with the range of 0.56 to 0.67 implying a low level of variability in the responses. It shows that generally the sample contains those with similar levels of each of the constructs they tried to measure. Orientation to Social Value had the lowest variability of $SD=0.56$ and Self-Efficacy had the highest variability of $SD=0.67$.

1.2. Correlation Analysis

Spearman correlations were obtained to observe correlations among independent variables and the four components of community development that include, Poverty Alleviation (PA), Social Problem-Solving (SPS), Social Transformation (ST), and Social Empowerment (SE). Correlation outcomes are presented in the correlation matrix below and statistically significant correlations have been highlighted.

Variable	PA	SPS	ST	SE
Innovation	0.61	0.52	0.47	0.45
Prosocial Activity	0.58	0.60	0.43	0.49
Social Risk-Taking	0.49	0.44	0.41	0.40
Self-Efficacy	0.66	0.59	0.55	0.61
Social Networking	0.57	0.54	0.46	0.44
Orientation to Social Value	0.59	0.51	0.48	0.42
Social Support	0.62	0.57	0.53	0.60

$p < 0.05$, $p < 0.01$

The results show that, all the independent variables have positive and significant relation to all four community development dimensions. It implies that positive changes in Innovation, Prosocial Activity, Social Risk-Taking, Self-

Efficacy, Social Networking, and Orientation to Social Value, and Social Support along with increased levels of Poverty Alleviation, Social Problem-Solving, Social Transformation, Social Empowerment.

Across the board, Self-Efficacy had the strongest correlations, with enormously strong associations with each of the four community development outcomes (e.g. $r=0.66$, $p<0.01$ with Poverty Alleviation; $r=0.61$, $p<0.01$ with Social Empowerment). This underlines its central role in the driving of different characteristics of the community development. The social support also had high associations and the same were extremely significant, especially with Poverty Alleviation ($r=0.62$, $p<0.01$), and Social Empowerment ($r=0.60$, $p<0.01$).

The findings of this correlation analysis can be said to partly support the positive correlations between the predictor variables and the key components of community development since they were also identified as significant predictors in the regression analysis.

1.3. Multiple Regression Analysis

The impact of several independent variables on a dependent variable that is, community development which was composite measure of poverty alleviation, the social problem solving, social transformation, and social empowerment, was analyzed using multiple regression analysis.

According to model summary, the entire regression model was statistically significant $F(7, 92) = 27.6$, $p<0.001$. The determination of coefficient (R^2) was 0.69 with adjusted $R^2 = 0.66$. This indicates that the predictor variables portray an excellent predictive ability because they explain 66 percent of the variance in community development.

The results of individual predictors are as described in the table below. Each of the predictor variables proved to be significant.

Predictor	Beta Coefficient (β)	t-value	p-value
Innovation	0.24	3.12	0.002
Prosocial Activity	0.21	2.88	0.005
Social Risk-Taking	0.17	2.04	0.043
Self-Efficacy	0.26	3.34	0.001
Social Networking	0.19	2.25	0.027
Orientation to Social Value	0.20	2.68	0.008
Social Support	0.28	3.45	0.001

The standardized beta coefficients (beta) analysis helps in the determination of the relative significance of each of the predictors. The predictors that had the strongest effects on community development were, Social Support (0.28, $t=3.45$, $p<0.001$) and Self-Efficacy (0.26, $t=3.34$, $p=0.001$). It means that one standard deviation increase in Social Support and Self-Efficacy correlates with 0.28 and 0.26 standard deviation increase in community development respectively maintaining other variables constant. Innovation (0.24, $t=3.12$, $p=0.002$), Prosocial Activity (0.21, $t=2.88$, $p=0.005$) and Orientation to Social Value (0.20, $t=2.68$, $p=0.008$) came out as significant positive predictors as well. Social Risk-Taking was the weakest (although still significant) predictor (0.17, $t=2.04$, $p=0.043$).

These results emphasize the idea of the multidimensionality of community development, whereby community development is slanted in terms of social and individual psychological factors. The findings indicate that the highest influence on the outcomes of community development could be provided through interventions that would increase the self-efficacy of the community members and improve the social support systems.

2. DISCUSSION

This research study confirms how social entrepreneurship plays a critical role in the enhancement of community development of Dalit and tribal groups in Tamil Nadu. It is in line with previous studies (Bornstein & Davis, 2010; Gupta & Srivastava, 2024) that the findings indicate that innovativeness, prosocial behavior, self-efficacy, social networking, and the perceived social support are all critical entrepreneurial traits that affect development outcomes, including poverty reduction, ability to solve problems, socio-change, and empowerment. Those Cronbach alpha values between variables confirm very high rates (ranging between 0.78 and 0.88), which attest to high levels of measurement reliability across variables, so the constructs might be good candidates to measure entrepreneurial abilities in marginalized contexts. Descriptive statistics showed that the self-efficacy ($M = 4.29$) and social support ($M = 4.31$) had the highest levels of perception by the respondents which resonate with the findings of other authors who stressed the role of personal agency and relational capital in overcoming systemic disadvantage (Paramasivan & Selvam, 2015; Rao et al., 2022). The correlation analysis indicated positive as well as statistically significant correlation between all the independent variables with each of the dimensions of community development where self-efficacy ($r = 0.66$ with poverty alleviation) and social support ($r = 0.62$ with poverty alleviation) were found to be the strongest correlates. This confirms the assumption that there are interdependent self-beliefs and an external sense of self-worth as sources of social impact (Selinger, 2019). The less but not insignificant positive social risk-taking indicates that there exists a culturally influenced hesitation approach to the realm of uncertainty, which could be underpinned by historical economical precariousness (Madaboina, 2020).

These results are also supported by the regression model ($R^2 = 0.69$, adjusted $R^2 = 0.66$) where social support ($\beta = 0.28$) and self-efficacy ($\beta = 0.26$) were further perceived to be the greatest predictors of community development. Two indicators of social progress, namely innovation ($\beta = 0.24$) and prosocial activity ($\beta = 0.21$) are also significant contributors since creative problem-solving as well as altruistic intention is key to inclusive growth sustainability. This is a multi-factor impact that also reflects the multidimensional aspect of social entrepreneurship (Diwakar et al., 2025) as it has been documented in comparative literature. The three implications of these results are described as follows. To start with, they are empirical in the fact that they prove the twofold obligation of not only psychological empowerment but also social capital to undergo to sustain the community development process successfully. Second, they emphasize that it is important to provide specific measures, including mentorships, skill development programs, network-creation platforms, etc. that would enhance these traits in marginalized entrepreneurs. Third, the results indicate that risk-related practices could be framed in a culturally accommodating manner so that innovation can be promoted as sustainable and uncompromising to the social standing as well.

Overall, the study contributes to the discussion of grassroots social entrepreneurship by showing how the role of individual agency cannot be discussed without the support of the collective and vice versa, as it contributes to systemic work on community development. Future investigations ought to establish the interactive effects of such factors in various socio-cultural settings with the use of longitudinal and mixed method designs being used to capture both the measurable and narrative aspects of change.

3. CONCLUSION

The quantitative results of this work show that social entrepreneurship is an effective tool of community development among Dalit and tribal marginalized groups in Tamil Nadu. The analyzed entrepreneurial qualities all showed positive and significant correlations with the dimensions of community development and show the overall importance of them in relation to social change. According to the regression analysis, it was noted that social support ($\beta = 0.28$, $p < 0.001$), and self-efficacy ($\beta = 0.26$, $p = 0.001$) were seen to be strongest predictors, which were followed by innovation, prosocial activity and orientation to social value. The impact of social risk-taking was rather low. This implies that the community development is a complex process that is determined by individual potentials and external social capital. This study confirms the assertion that the ability of marginalized entrepreneurs to access effective support networks and strong self-belief encourages the implementation of powerful, community-based responses that contribute to poverty alleviation, increased capacity to solve problems and other long-term social change.

4. FUTURE IMPLICATIONS

The results of this research have a few theoretical and practical implications in the area of social entrepreneurship and collective progress of the marginalized Dalits and Tribes in Tamil Nadu. Theoretically, the findings strengthen the notion of a much-conceptualized integration of the personal entrepreneurial capabilities (e.g., self-efficacy, innovation) and external enablers (e.g., social support networks) as mutually constructive factors of a community developmental outcome. The evidence of strong predictive significant roles of both social support and self-efficacy could further lead to clarity on future research investigations due to the need to specifically address interaction effects between personal agency and social capital especially in modified conditions of systemic marginalization. Furthermore, the relatively inferior positionality of the social risk-taking suggests a careful inspection of culturally specific risk perceptions and how this factor contributes to the sustainability of social enterprise.

Policy and practice wise, the outcomes suggest that both psychological empowerment and access to network should be strengthened through specific interventions in favor of the marginalized entrepreneurs. The capacity building programs which could increase self-efficacy by helping through skills training, mentorship and exposure to role models should be accompanied by others focusing on widening the formal and informal networks thus increasing access to markets, financing and institutional support. This could be achieved by the creation of integrated systems of support by the development agencies and non-governmental organizations which would incorporate the concept of business incubation and community mobilization into inseparable forces that would keep entrepreneurial endeavors under the socially friendly and acceptable bounds.

Lastly, in the future, to answer this question a multi-regional comparative study would aid in overcoming the challenge of evaluating the level of importance of predictors seen in Tamil Nadu and elsewhere. Longitudinal studies would as well enable the evaluation of the effects of the sustained social support and self-efficacy towards the long-term effect on community change, poverty alleviation and empowerment. Moreover, the use of qualitative tales about the experiences of disadvantaged entrepreneurs along with the quantitative models may provide more substantial information about the processes where marginalized entrepreneurs convert resources into social benefit.

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