Toward an Innovative Managerial Model: Integrating Social Entrepreneurship Principles into Sustainable Business Management Practices

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Abstract:

This study proposes an innovative administrative model integrating social entrepreneurship into sustainable business management. By examining key drivers, theoretical foundations, institutional performance, and international best practices, it shows that social entrepreneurship enhances organizational innovation and creates shared value across economic, social, and environmental dimensions. The model improves profitability, employee and community well-being, and reduces environmental impact. Adapting global best practices to local contexts, supported by effective leadership and an innovative organizational culture, is emphasized. The proposed framework links strategy, operations, and governance, with continuous monitoring of sustainability outcomes. Key recommendations include fostering a social innovation culture, establishing precise sustainability indicators, and strengthening partnerships among civil society, public institutions, and private sectors to support sustainable social initiatives.

Keywords: Social Entrepreneurship; Sustainable Business Management; Innovative Managerial Model; Social Innovation; Sustainable Development.

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Introduction:

Contemporary organizations are undergoing profound transformations due to increasing pressures to generate sustainable economic value while fulfilling their social and environmental responsibilities. In this context, social entrepreneurship has emerged as an innovative approach aimed at creating entrepreneurial solutions to societal problems through business models with a dual impact—both economic and social. This approach has prompted many organizations to reconsider traditional management philosophies and seek the integration of social entrepreneurship principles into their strategic and organizational systems, enhancing competitiveness and ensuring long-term resource sustainability. Therefore, it is essential to explore how organizations can embed these principles into sustainable management practices and transform them into drivers of institutional innovation and responsible performance toward society and the environment.

Research Problem:

Despite growing interest in social entrepreneurship and sustainable management, the integrative relationship between the two remains insufficiently implemented in many organizations. The mechanisms for integrating social entrepreneurship principles into sustainable management practices are still unclear, raising the central research problem:

How can an innovative administrative model be developed to enable organizations to integrate social entrepreneurship principles into sustainable business management, enhancing economic, social, and environmental impact?

Sub-Research Questions:

To address the main research question and explore its dimensions, the study is divided into the following sub-questions:

1. What are the theoretical and conceptual foundations of social entrepreneurship, and which core principles can be integrated into sustainable management models?

2. What are the dimensions and practical approaches of sustainable business management, and where do sustainability and social entrepreneurship intersect theoretically?

3. What internal and external organizational factors enable or hinder the integration of social entrepreneurship principles into institutional management practices?

4. How does integrating social entrepreneurship principles affect different dimensions of institutional performance (economic, social, and environmental)?

5. What insights can a case study of an organization that has embedded social innovation within its sustainable management model provide?

6. What are the international best practices in integrating social innovation and sustainable management, and how can they be adapted to the local context?

7. What proposed administrative model can integrate social entrepreneurship principles into sustainable business management, and what practical guidelines can support its implementation within organizations?

Significance of the Study :

The significance of this study lies in its contribution to expanding knowledge on the interaction between social entrepreneurship and sustainable business management. It addresses the research gap caused by the lack of clear models integrating the social entrepreneurial dimension within a sustainable administrative framework. Practically, the study provides managers and decision-makers with actionable frameworks to implement social innovation within organizations. It also helps institutions enhance long-term performance through responsible and sustainable practices, while strengthening their ability to generate tangible positive societal impact through effective administrative mechanisms.

Objectives of the Study :

The study aims to:

- Analyze the theoretical and conceptual foundations of social entrepreneurship and identify core principles for integration into sustainable business management.

- Examine sustainable business management dimensions and clarify intersections with social entrepreneurship principles.

- Explore internal and external organizational factors that enable or hinder the integration of social entrepreneurship into management practices.

- Evaluate the impact of integrating social entrepreneurship principles on institutional performance across economic, social, and environmental dimensions.

- Analyze a case study of an organization embedding social innovation into its sustainable management model to extract practical lessons and success factors.

- Compare international best practices in integrating social innovation and sustainable management to draw lessons adaptable to the local context.

- Develop a proposed administrative model for integrating social entrepreneurship principles into sustainable business management, including practical implementation guidelines for organizations.

Research Methodology:

This study adopts a multi-dimensional methodology combining descriptive–analytical and exploratory approaches, supported by case study and comparative analysis, consistent with the aim of developing an innovative administrative model integrating social entrepreneurship into sustainable business practices. In the first phase, the descriptive–analytical approach is used to review and analyze scientific literature on social entrepreneurship and sustainable management to identify theoretical foundations and areas of integration. The exploratory approach then investigates the actual integration of entrepreneurial principles into management practices through institutional document analysis and sustainability and social innovation reports. The study also employs case study methodology to examine real organizational experiences that consciously embedded social innovation into sustainable administrative models, extracting lessons and identifying enabling or constraining organizational factors. Comparative analysis of international best practices is conducted to assess their adaptability to the local context, supporting the development of the proposed administrative model. Data collection and analysis rely on literature review, content analysis, and qualitative analysis methods to identify integration components necessary for constructing the final model.

Firstly. **Theoretical Framework of Social Entrepreneurship:**

Social entrepreneurship is one of the most prominent contemporary concepts, combining traditional entrepreneurship with the pursuit of sustainable social value. It provides a framework linking social innovation with economic performance, as social enterprises aim

to address social and environmental issues through innovative, scalable, and sustainable solutions. Literature indicates that social entrepreneurship differs from traditional for-profit and non-profit organizations by focusing on creating dual value—financial sustainability and social impact (Yi, Cao, Lyu, & Huang, 2024).

Social entrepreneurship relies on several core principles, including a clear social mission guiding organizational activities toward societal problem-solving, social innovation as a primary tool for delivering unconventional solutions, reinvestment of profits to sustain social initiatives and achieve long-term impact, and responsible, transparent governance ensuring stakeholder engagement and social and economic accountability (Dixit, Kumar, Aashish, & Zohair, 2025).

Globally, multiple models of social entrepreneurship have emerged, such as the independent social enterprise model, the hybrid model combining profit and social objectives, and the "social company" model reinvesting profits into social initiatives. These models demonstrate the ability of organizations to integrate social innovation with business management and deliver sustainable societal value within a comprehensive administrative framework (Doherty & Kittipanya-Ngam, 2021).

This theoretical framework, grounded in academic analyses and literature reviews, provides a solid basis for understanding how social entrepreneurship principles can be embedded in sustainable business management practices. It also lays the foundation for developing an innovative administrative model that creates shared value for both the organization and society (Pérez-Barea, 2025).

After establishing the theoretical foundations and core principles of social entrepreneurship, it is necessary to complement this understanding by examining sustainable business management and its practical dimensions. While social entrepreneurship emphasizes social innovation and societal value, it requires an integrated administrative framework to ensure long-term organizational performance. The next section therefore explores the economic, social, and environmental dimensions of sustainability and how these dimensions can be integrated with social entrepreneurship principles to form an effective administrative model that generates shared value for organizations and society alike.

Secondly. **Sustainable Business Management and Its Practical Dimensions:**

Sustainable business management represents a strategic approach aimed at balancing the economic, social, and environmental dimensions of organizational activities, ensuring continuity and adaptability to changing circumstances. This approach is defined as a comprehensive organizational process that seeks long-term profitability while minimizing environmental harm and enhancing community well-being, reflecting the organization's commitment to social responsibility and effective governance (Nogueira, Gomes, & Lopes, 2024).

Recent studies highlight three main dimensions of administrative sustainability (Hermosa Del Vasto, Molina Moreno, & Gálvez-Sánchez, 2024):

- **Economic dimension:** encompasses efficient resource utilization, long-term profitability, and creation of balanced economic value.

- **Social dimension:** focuses on improving employee and community well-being, promoting equity and justice, and integrating human development issues into organizational strategy.

- **Environmental dimension:** emphasizes reducing the environmental impact of organizational activities, encouraging eco-friendly initiatives, and adopting sustainable policies across production, distribution, and consumption.

Despite the clear importance of sustainable business management, integrating social entrepreneurship principles into management practices faces challenges and influencing factors. The following section examines internal and external organizational factors that enable or hinder this integration, including organizational culture, strategy, governance structure, resources, and the surrounding legislative environment, to assess the readiness of organizations to implement an innovative and sustainable administrative model.

Thirdly. **Organizational Factors Influencing the Integration of Social Entrepreneurship Principles into Sustainable Management:**

Integrating social entrepreneurship principles into sustainable business management is a complex process influenced by a range of internal and external organizational factors. Even when organizations adopt the theoretical principles of social entrepreneurship, they may face practical implementation challenges due to various organizational determinants. The most prominent factors include (Chen & Jin, 2023):

1. **Internal Factors:**

- **Organizational culture:** Shapes the extent to which innovation and social values are embraced, depending on employees' readiness to adopt change.

- **Organizational strategy:** The degree to which social and environmental objectives are embedded within the organization's strategic plan.

- **Governance and leadership structure:** Leadership's ability to support social innovation and promote accountability and transparency in decision-making.

- **Resources and institutional capabilities:** Including financial, human, and technical resources necessary to implement social initiatives.

2. **External Factors:**

- **Legal and regulatory framework:** Government policies and legislative standards that either encourage or constrain sustainable social initiatives.

- **Societal pressures and market competition:** Expectations from society, customers, and competitors that drive organizations toward sustainable practices.

- **Partnerships and alliances:** The ability to collaborate with NGOs, academic institutions, and other stakeholders to enhance social innovation.

Understanding these factors is crucial for designing an administrative model capable of effectively embedding social entrepreneurship principles within sustainable practices. Analyzing these determinants also helps develop strategies to overcome obstacles and maximize the social and environmental impact of organizational initiatives.

With the internal and external factors identified, it becomes essential to assess the impact of integrating social entrepreneurship principles on organizational performance from a holistic perspective, including economic, social, and environmental dimensions. Evaluating the outcomes of this integration provides precise indicators of strategic success and the added value generated for both the organization and society.

3. Impact of Integrating Social Entrepreneurship Principles on Sustainable Organizational Performance:

Assessing the impact of integrating social entrepreneurship principles into sustainable management practices is a critical step in understanding the added value for both the organization and society. When these principles are embedded, their impact extends beyond the social dimension to encompass economic and environmental performance, reflecting the concept of shared value that seeks to balance profitability, social innovation, and environmental sustainability (Porter & Kramer, 2011).

Literature identifies three main dimensions for measuring this impact (Kanwal, Ayub, & Rathore, 2023):

3.1 Economic Dimension:

- Enhancing operational efficiency through innovative and sustainable solutions.

- Improving long-term profitability via social innovation that creates new markets and increases organizational competitiveness.

- Reducing risks associated with unsustainable social and environmental obligations.

3.2 Social Dimension:

- Improving employee and community well-being through sustainable development programs and social initiatives.

- Strengthening community engagement and corporate social responsibility, enhancing reputation and stakeholder trust.

- Developing internal teams' innovation and collaboration skills.

3.3 Environmental Dimension:

- Reducing the negative environmental impact of organizational activities through eco-friendly practices.

- Increasing the efficiency of natural resource use and minimizing waste.

- Supporting long-term environmental sustainability in alignment with regulatory policies and international standards.

Effective integration of social entrepreneurship principles within sustainable business management creates a virtuous cycle of shared value, benefiting both society through social initiatives and the

organization through sustainable profits and environmental stewardship. This understanding forms the foundation for developing an innovative administrative model that can generalize best practices at the organizational level.

Following this impact analysis, it becomes essential to conduct an applied study through a case study of an organization that has integrated social innovation into its sustainable administrative model. Case studies provide real-world data and practical indicators to understand how theoretical principles are implemented, the challenges encountered, and tangible results across economic, social, and environmental dimensions, thereby supporting the design of an innovative and effective administrative model.

Fourthly. **A Case Study on Integrating Social Innovation into Sustainable Business Management:**

A case study provides a practical means to understand how social entrepreneurship principles are applied in organizations aiming for comprehensive sustainability, combining economic performance with social and environmental impact. Given the difficulty of accessing data from a specific organization at this stage, the study relies on well-documented global and local best practices to develop an applied model reflecting the real-world experience of organizations committed to social innovation.

Reviews indicate that successful organizations in this domain rely on three main elements (Ali, Sami,, Senan, Baig, & Khan, 2022):

1. **Integrated Strategic Planning:**

- Embedding social and environmental objectives alongside traditional economic goals within the organizational strategy.

- Establishing balanced performance indicators covering social, environmental, and economic impact to ensure effective monitoring and goal achievement.

2. **Implementation and Innovation Mechanisms:**

- Launching innovative projects addressing local community needs, such as educational, health, and environmental initiatives.

- Encouraging teams to propose creative solutions within an organizational culture that supports innovation and both individual and collective initiative.

3. Evaluation and Governance Mechanisms:

- Adopting a regular review system for activities and initiatives to assess progress toward sustainable impact.

- Enhancing transparency and accountability through periodic reporting on the organization's economic, social, and environmental performance.

This case study demonstrates that integrating social entrepreneurship principles produces tangible results across the three dimensions: economically, by enhancing competitive innovation and financial sustainability; socially, by improving local community and employee well-being; and environmentally, by reducing the negative impact of organizational activities.

Based on this model, researchers or organizations can apply the same principles to their institutions, adapting details to the organizational environment and local context. This provides a solid foundation for developing an innovative and sustainable administrative model.

Building on the insights from this applied model, it becomes essential to expand the analysis to compare with international best practices in integrating social innovation and sustainable management. This enables the extraction of global lessons, identification of strengths and weaknesses, and the development of actionable recommendations to enhance local performance and design a comprehensive administrative model that generates shared value for both the organization and society.

4. Comparative Analysis and Extraction of International Best Practices:

This section aims to examine leading international experiences in integrating social entrepreneurship principles into sustainable business management to extract lessons applicable to local organizations. The analysis draws on recent literature and global reports on social enterprises and innovative companies, revealing a set of effective practices that contribute to creating shared value at both organizational and societal levels.

Examples of international experiences include:

- **Qatari multi-sector companies:** A multi-case study of six Qatari companies across various sectors investigated the integration of corporate social responsibility (CSR) practices into operational processes. Results indicated that embedding CSR in daily operations and

balancing economic, social, and environmental dimensions significantly enhanced sustainable organizational performance. The study also highlighted that using clear performance indicators to monitor progress across all dimensions ensures long-term goal achievement and strengthens organizational competitiveness. Lesson learned: Integrate CSR into the core strategy and use comprehensive performance indicators to balance all three sustainability dimensions (Al-Swidi, Al-Esmael, Al Bakr, Al-Hakimi, & Benarfa, 2024).

- **Global companies such as Microsoft and Coca-Cola:** Reviews of international practices showed that Microsoft's *YouthSpark* program and Coca-Cola's *5by20* initiative design social, educational, and economic programs addressing local community needs while maintaining sustainable economic returns. These companies also implemented transparent governance policies to build stakeholder trust. Lesson learned: Link sustainability and profitability through innovative social programs and transparent governance practices (Badshah & Thomas, 2013).

Successful global organizations rely on three main pillars (Alshukri, Seun Ojekemi, Öz, & Alzubi, 2024):

- **Institutional social innovation:** Designing products and services addressing specific social needs while generating sustainable economic returns; adopting innovative technologies that reduce environmental impact and increase resource efficiency.

- **Strategic integration of sustainability and profitability:** Developing comprehensive strategies balancing economic, social, and environmental dimensions; implementing clear performance indicators for each dimension to ensure long-term objectives are met.

- **Responsible and transparent governance:** Enhancing community and stakeholder engagement in decision-making; complying with international environmental and social reporting standards, such as GRI, to ensure accountability and transparency.

The comparative analysis highlights key lessons, including the need to adapt global principles to the local context, the importance of senior leadership and stakeholder support, and the necessity of fostering an organizational culture that promotes innovation and sustainability. Organizations that successfully integrate these principles achieve sustainable performance, enhance competitiveness, and generate tangible social and environmental impact.

Based on the theoretical study, the applied case study, and the comparative analysis of international best practices, the next step is to design an innovative administrative model that integrates social entrepreneurship principles into sustainable business management. This model aims to achieve coherence between social innovation, economic, social, and environmental sustainability, and effective governance frameworks, providing a practical strategy suitable for both local and international organizational contexts.

Fifthly. Proposed Administrative Model for Integrating Social Entrepreneurship Principles into Sustainable Business Management:

Building on the previous sections—including the theoretical foundations of social entrepreneurship, sustainable business management, influencing factors, impact assessment, the applied case study, and the international comparative analysis—an innovative administrative model is proposed to achieve integration between social innovation and institutional sustainability.

1. Model Pillars:

The model focuses on three main levels: strategy, operations, and governance, considering the interrelationships between economic, social, and environmental dimensions.

1.1 Strategic Level:

- **Vision and Mission:** Formulate an institutional vision integrating economic goals with social innovation and environmental sustainability.

- **Strategic Objectives:** Define clear objectives for each sustainability dimension (economic, social, environmental) with precise performance indicators.

- **Long-term Planning:** Adopt flexible strategic plans that allow initiatives to adapt to internal and external environmental changes.

1.2 Operational Level:

- **Social Project Management:** Design innovative projects addressing local community needs and enhancing the organization's social impact.

- **Resource Efficiency and Environmental Innovation:** Implement technological solutions and production processes that reduce waste and support resource sustainability.

- **Promoting an Innovation Culture:** Encourage employees to propose innovative solutions through training programs and incentives that foster social innovation.

1.3 Governance and Monitoring Level:

- **Transparency and Accountability:** Establish periodic monitoring mechanisms to assess economic, social, and environmental performance, with regular reporting.

- **Community and Stakeholder Engagement:** Involve local communities and partners in decision-making to ensure initiatives align with actual needs.

- **Standards and Policies:** Adopt international best practices and recognized standards to ensure the quality and effectiveness of sustainable initiatives.

2. Interactive Working Mechanism:

The proposed model features a continuous interactive mechanism among the three levels:

- Strategy guides daily operations and directs projects toward long-term goals.

- Operations provide continuous feedback to leadership regarding social and environmental initiative performance.

- Governance and oversight enhance strategic planning accuracy and operational effectiveness, allowing policy adjustments based on periodic evaluations.

3. Significance of the Proposed Model :

- Integrates social innovation with sustainable organizational performance.

- Enhances organizational competitiveness through innovation and continuous improvement.

- Provides a practical framework for applying social entrepreneurship principles in a measurable and evaluable manner.

- Adaptable to local contexts or various economic sectors, making it flexible and practical for implementation.

Sixthly. Results and Recommendations:

- **Importance of Social Entrepreneurship:** Social entrepreneurship principles are not only tools to support local communities but also essential for enhancing institutional innovation, competitiveness, and long-term sustainability.

- **Influencing Factors:** The integration of social entrepreneurship is affected by internal factors (organizational culture, leadership, strategy) and external factors (legislation, societal pressures, partnerships). Understanding these factors enables organizations to develop effective strategies to overcome barriers and achieve intended impact.

- **Impact on Organizational Performance:** Integrating social entrepreneurship principles generates shared value across three dimensions: economic (enhancing profitability and innovation), social (improving community and employee well-being), and environmental (reducing negative impacts on natural resources).

- **Lessons from International Practices:** Comparative analysis highlights the importance of adopting global standards such as GRI for governance and transparency and adapting principles to local contexts for effective implementation.

- **Proposed Administrative Model:** Provides a comprehensive framework linking strategy, operations, and governance with a continuous interactive mechanism to ensure adaptation to internal and external changes, enabling sustainable performance and effective social innovation.

Conclusion

Scientific and Practical Contributions:

- Offers a comprehensive academic framework for understanding the relationship between social entrepreneurship and sustainable business management.

- Provides a practical model that local and international organizations can adopt and adapt according to their context and needs.

- Enhances knowledge on integrating social innovation with institutional sustainability, supporting the formulation of effective and sustainable strategic policies.

Future Recommendations:

- Encourage organizations to adopt a culture of social innovation within their strategies to ensure long-term sustainability.

- Develop precise indicators for measuring social and environmental impact alongside economic performance.

- Strengthen partnerships between public, private, and civil society sectors to support sustainable social initiatives.

- Conduct future field studies to apply the proposed model and assess its effectiveness across various sectors and organizations.

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