INTERNATIONAL DEVELOPMENT PLANNING REVIEW
ISSN:1474-6743 | E-ISSN:1478-3401

SOCIAL BUSINESS SECTOR DYNAMICS: THE COMPERATIVE ANALYSIS OF TURKEY AND DEVELOPING COUNTRIES

[1]Assoc. Prof. Dr. Duygu HIDIROĞLU, [2]Dr. Resul Çelik

[1]Faculty of Tourism, Mersin University duyguhdr@mersin.edu.tr

[2]Konya Technical University clkresul@gmail.com

Abstract

This study aims to conduct a comparative analysis of social business sector dynamics in Türkiye and other developing countries. The study focuses on social business sector dynamics, including legal frameworks, financial ecosystems, countries' social innovation capacity, demographic participation, and cultural-contextual factors, across 20 countries.

The social business sector is characterized by responsible approaches to products and services. However, there is limited research in the literature on the mechanisms supporting these responsible approaches, the strategies necessary for long-term sustainability, and the dynamics driving the sector's development. While governments and sector players express short-term support for the social business sector, the lack of long-term planning and sustainability goals for this sector is striking. Social business sector players generally respond reactively to environmental changes rather than proactively supporting existing conditions in almost all countries under study.

In summary, the study aims to examine the dynamics of the social business sector in Turkey and other developing countries and to highlight the need for strategic policies and institutional frameworks that foster innovation and ensure long-term sustainability. The research examines the responses of 180 experts from 20 countries who participated in the International Academic Social Business Sector Workshop (2020) held in Turkey.

In this context, factor analysis is used to compare social business sector dynamics across regions. The research findings highlight the importance of responsible business practices and social inclusion in promoting economic and social development. Through comparative analysis, factors that support or hinder the sustainable growth of the social enterprise sector are identified, and it is concluded that government policies and institutional support are important in shaping social entrepreneurship potential.

Although some countries have initiated some studies for the development of this social business sector and taken steps on a macro scale, it cannot be said that they have reached the targeted point yet. For example, when country experts were asked about their opinions on whether the human resources in their countries were sufficient to sustain social investments in the social business sector, more than half of the country participants stated that the human resources were insufficient in this sector. They suggested that trainings be planned to increase qualified human resources.

When the same experts were asked about their opinions on whether the social business sector was sufficiently full of social initiatives and social innovations, they stated that there were not enough social initiatives and social innovations; there were serious gaps and deficiencies in this area. In fact, out of the

20 participating countries, only 2, excluding Turkey, stated that there were sufficient social enterprises and social innovations in their countries.

The findings highlight the importance of responsible business practices and social participation in fostering economic and social development. Through comparative analysis, the study seeks to uncover the factors that either support or hinder the sustainable growth of the social business sector, emphasizing the role of government policies and institutional support in shaping its entrepreneurial potential.

To sum up, while Turkey's social business sector shows immense promise, its long-term success will depend on the alignment of institutional reforms, entrepreneurial mindsets, and strategic planning. For this sector to transition from reactive to proactive responses, a more structured, sustainable ecosystem must emerge—one that combines innovation with long-term vision and leverages both social and financial capital. Further research in this area will contribute significantly to both the academic literature and policy-making, ensuring that social businesses are adequately supported in their journey toward achieving systemic and transformative social change.

Keywords: Social Business, Social Business Sector Dynamics, Entrepreneurship, Social Entrepreneurship.

INTRODUCTION

There have been many initiatives that have developed business models with high social sensitivity recently. The business model of social entrepreneurship is based on the triple pillar. These are social, environmental and economic dynamics. When a common social benefit that is beneficial for both consumers and disadvantaged individuals is created by considering these three dynamics, that is, when a product or service with a shared common value is reached, the social enterprise has achieved success.

Social enterprises sometimes focus on environmental issues with environmentally friendly practices, while sometimes they undertake social projects that increase the accessibility of education for the disadvantaged (Hıdıroğlu, 2020). The fact that social enterprises that adopt an environmentally sensitive business model produce and sell green products can be shown as an example of exhibiting responsible approaches to social issues (Hıdıroğlu, 2020). It is observed that many of the enterprises with almost successful and sustainable business models now have social and environmental orientations and take more sensitive actions by focusing on these issues.

The transformation that will be experienced with the social impact after social entrepreneurship activities opens the door to better conditions compared to the past. The social balance and harmony that occur in the society after successful social enterprises are what economies need most today. Social entrepreneurs, who set out to discover social needs and problems, examine these needs and problems in detail and analyze them to find their root cause. Because what needs to be done to find permanent solutions is to discover the source of the problem. A social entrepreneur is a person who turns negativities into opportunities like a traditional entrepreneur. The solution he reaches creates a great and positive impact in society. Creating social impact is equivalent to creating social value. A social entrepreneur establishes a business organization, determines trends in the market and produces social innovations that eliminate social problems. Social entrepreneurship aims to make a profit with entrepreneurial activities that will ensure the continuity of the voluntary social value creation process and determines an income model. Social entrepreneurship, which aims to ensure the commercialization of activities in reaching social value and the continuity of social benefit, aims to obtain social values beyond individual interests (Hıdıroğlu, 2023). Social entrepreneurship finds permanent and innovative solutions to social problems and reshapes these solutions according to developing needs.

LITERATURE

Developing Countries and Entrepreneurship

It is an undeniable fact that entrepreneurs play an dominant role in on the sustainability of developing countries (Naudé, 2010). In many studies on entrepreneurs' effects on economic growth, three levels of economic development are mentioned (Valliere & Peterson, 2009; Hıdıroğlu, 2025). The first of these focuses on enterprises that determine a low-cost strategy and are exposed to intense competition in the sector in which they operate. The second includes mature enterprises that target efficiency in manufacturing processes and have qualified employment. The third level includes enterprises that are intensely observed in innovation and invest in R&D expenditures. At the third level, there are many opportunities for entrepreneurship and even innovative entrepreneurship.

Innovative enterprises are the enterprises that have the highest profitability rate in a short time when successful results are achieved (Sergi, et. al., 2019; Hıdıroğlu, 2025). Social innovations are related to innovative entrepreneurship, but they do not match one-to-one when evaluated in the context of entrepreneurial goals. Because social innovations, which are one of the most successful outputs of social entrepreneurship; are more prone to social entrepreneurship acceptances rather than innovative entrepreneurship due to their first goal being "to provide social contribution and benefit"(Hıdıroğlu, 2025; Hıdıroğlu, 2025). Therefore, they are evaluated under social entrepreneurship (Benneworth & Cunha, 2015).

Social Entrepreneurship

Social entrepreneurs develop permanent solutions for the social needs of society and the economy. They use the income obtained from entrepreneurial activities to solve urgent and priority social problems. Although the aim is to generate income like many profit-oriented enterprises, this is not the primary purpose of social enterprises. The main purpose of social entrepreneurs in carrying out entrepreneurial activities is to create social value and continue social benefit (Santos, 2012; Hıdıroğlu, 2025). In short, social entrepreneurs spend the income earned to observe social benefit rather than their individual interests.

Social impact is the most basic motivation for social entrepreneurs (Hıdıroğlu, 2025). It is a fact that almost everyone is familiar with that there are disruptions in social health services in settlements where living conditions are underdeveloped. The social impact that a social enterprise idea developed to improve health services in these places will create is very important for a social entrepreneur (Molecke & Pinkse, 2017). Settlements where infant deaths are almost never experienced, chronic diseases are reduced to a minimum level, and quality health services and correct diagnosis save lives are the most basic mission and source of motivation of a social entrepreneur who develops solutions in this field.

The financial resources required for the performance of services within the scope of social services are mostly provided through sponsorships and donations. This method of creating financial resources is often not sustainable. This is due to the fact that volunteers cannot allocate financial resources for the expenses to be made for the realization of these services on a regular basis due to various reasons. Since donations and sponsorships are provided unbalancedly, the need for successful social enterprises that benefit from entrepreneurial activities that provide regular income increases day by day.

The existence of a social entrepreneurship approach that encourages the social business model plan developed for the continuation of social services strengthens the socioeconomic existence of the society on a macro scale. Social entrepreneurs, who especially aim to benefit disadvantaged groups, present various social enterprise products and services to these weak groups, revealing their socially sensitive and socially innovative characteristics. For entrepreneurs with traditional business models, the day is now to transform these models into socially sensitive ones (Evers & Laville, 2004). The stakeholders with whom entrepreneurs cooperate should create new strategic value in line with social services approaches; they should not remain indifferent to these social issues by preparing an action plan for social needs and problems. Today, companies and enterprises are now described as living organisms. However, in light of scientific inferences that suggest that enterprises that are sensitive to developments in the environment and have the ability to quickly adapt to these changes will be sustainable; it has become a necessity for enterprises with open systems to act socially responsible in order to survive. Determining socially responsible strategies and turning these strategies into a business model extends the life of enterprises and ensures their continued success (Wilson & Post, 2013).

Social entrepreneurship first aims to serve the disadvantaged segment, which cannot access social services equally like all citizens. In other words, the target audience of social entrepreneurs is disadvantaged individuals and the target market is disadvantaged regions. In markets covering disadvantaged regions, social entrepreneurs develop socially responsible marketing strategies and focus entirely on what the market really needs (McMullen, 2011). The socially responsible marketing tactics exhibited by social entrepreneurs allow the target audience to continue their existence in society without being discriminated against or offended.

Social entrepreneurs who are sensitive to the distinctive characteristics of disadvantaged individuals who have problems with being marginalized offer solutions to the needs of these individuals while also developing holistic strategies that help individuals not to remain outside of society. In short, social entrepreneurship is a type of entrepreneurship that aims to be attentive to the sensitivities of the society even when marketing the goods or services it will offer. Because social entrepreneurs are aware that the targeted comprehensive and sustainable social impact can only be achieved when a holistic approach is demonstrated in entrepreneurial activities (Schaltegger & Wagner, 2011).

When sustainable social entrepreneurship is evaluated from the consumer perspective; In order for social entrepreneurs to achieve success in their marketing strategies, they need to determine a packaging and payment system that is an interface where customers who sell the product or service can meet their own needs while also meeting the needs of others in need. Consumers who know that a certain portion of the income from the price will be transferred to people in need, animals or activities aimed at protecting nature (Tisdell, 2005) are more encouraged to buy the social entrepreneur's product. Creating such a socially responsible income model will be the strongest marketing strategy that a social entrepreneur will determine.

Focusing on shared value in the marketing strategy and showing the consumer that they can easily do good through spending is a very strong step. A marketing strategy that focuses on shared value achieves success in the sale of products and services that find solutions to social or environmental problems (Kramer & Porter, 2011). When evaluated in terms of marketing, it is concluded that social entrepreneurs can fulfill the basic principles of responsibility-based marketing. Social entrepreneurs focus on achieving comprehensive social impact by offering the social value they promise to their customers in their marketing strategies. Social entrepreneurs design their marketing strategies with effective cost management (Jäger, et. al., 2020). Thus, they offer a marketing model that inspires other entrepreneurs and new social entrepreneurs.

Social Entrepreneurship and Social Business Sector

Social entrepreneurs determine a pricing method based on equality between individuals in society; they have an effective market volume to meet the needs of individuals who do not have access to the services and products they need or cannot access them sufficiently and they have a say in the social business sector (socially responsible sector) (McMullen & Bergman, 2017). Social enterprises, which increase their share in the market day by day by acting socially responsible in sectors that market their products and services with a pricing policy that is not sufficiently applicable, have goals aimed at providing basic needs and access to services for disadvantaged individuals in particular. Social entrepreneurs, who have to make profits to spread social value and distribute this profit to the expenses they have to meet while creating value, exhibit an attitude that is honest, reliable and considers the interests of society before their own interests for both consumers and organizations (McWilliams & Siegel, 2011). Social entrepreneurs, who act transparently from beginning to end in their entrepreneurial activities, also increase the number of social responsibility projects and increase the social impact they leave in the sector as much as possible.

Social Business Sector in Turkey

Social businesses in Turkey, despite encountering regulatory challenges, exhibit strong market-driven innovation. Approximately 86% of these enterprises have introduced new products or services, often within micro-enterprise settings that typically employ 4 full-time and 5–6 part-time staff (Darpe, 2021). Small and medium-sized enterprises (SMEs) in Turkey are increasingly adopting open innovation practices to overcome resource constraints, a trend frequently observed in developing economies (European Proceedings, 2021). In comparison to social enterprises in Southern and Eastern Europe, those in Turkey show more substantial market-driven innovation, especially during the operational phase.

The demographic makeup of the Turkish social business sector is notable for its strong engagement of women and youth. Over 55% of these enterprises are led by women, and nearly 47% of leaders are under the age of 35. This stands in contrast to South Asia, where female leadership in social businesses ranges from 20-30%. Many Turkish social enterprises also focus on addressing pressing regional issues, such as refugee integration and youth unemployment, highlighting their social responsiveness (European Proceedings, 2021).

However, cultural factors such as high uncertainty avoidance and hierarchical societal structures can limit entrepreneurial risk-taking and innovation in Turkey (Gurel, et.al, 2021). Despite these challenges, there is a growing institutional shift towards recognizing the value of social impact. This is reflected in initiatives such as university-led incubators and municipal programs that foster cross-sector collaboration (MDPI, 2021). In contrast to other developing nations, where formal policies such as grants and legal frameworks have supported more mature social enterprise ecosystems, Turkey still lacks some of these systemic supports (MDPI, 2021). In the light of these dynamics, several policy recommendations are proposed to foster the growth of social enterprises in Turkey:

Legislative Reform: Establish a specific legal framework for social enterprises, such as an "impact corporation," that includes impact metrics, tax incentives, and governance standards (Thanetsunthorn & Wuthisatian, 2025).

Financial Innovation: Develop impact investment vehicles and link corporate social responsibility (CSR) budgets to measurable social outcomes, creating financial tools that better support social impact (European Proceedings, 2021).

Capacity Building: Enhance business acumen and financial literacy through specialized training programs, incubators, and collaborations between universities and industries (Munari & Toschi, 2018).

Cultural Shift: Promote the visibility of social enterprises to shift public perception, highlighting their role as mission-driven organizations that contribute to sustainable development rather than just startups (Quaye et. al., 2024).

While the Turkish social enterprise sector shows significant promise, it requires both structural support and financial innovation to reach its full potential. Addressing cultural barriers and fostering institutional collaboration will be key to unlocking the sector's growth and impact.

CONCEPTUAL FRAMEWORK

Social business sector players adopt sufficiently responsible approaches regarding existing social products and services both in the market and in the sector. However, there are few studies on whether the mechanisms supporting these responsible approaches are sufficient or what strategies should be determined for the sustainability of this sector. In addition, there is almost no clear view on what the dynamics that ensure the development and progress of the social business sector should be. Since the social business sector is a sector that develops both the economy and the society; although both governments and sector players seem to care enough about this sector in the short term and cherish it, this social business sector, which does not even have a plan in the long term, lacks sustainability goals. A new condition emerges in the environment and social business sector representatives usually respond to this change with a reactive approach. As can be observed from the discussion in the literature, there is not yet sufficient research on the social business sector and the existing entrepreneurial potential of this sector is not sufficiently used. In this context, it would be appropriate to conduct a research that observes whether the dynamics of the social business sector are ready for entrepreneurs and investors who want to make new ventures in existing markets, especially in Turkey. The research question of this study is “What are the social business sector dynamics in Turkey and other developing countries?”

The conceptual framework for this study is grounded in understanding the dynamics of the social business sector in Turkey and other developing countries. The framework addresses the key issues of sustainability, responsible practices, and the entrepreneurial potential of social businesses. It identifies gaps in existing research, particularly the lack of long-term planning, sustainability goals, and effective use of entrepreneurial resources within the sector.

The framework posits that social enterprises, while adopting responsible approaches, often fail to establish adequate mechanisms for long-term growth, responding reactively to changes rather than proactively. This gap in planning limits the sector’s capacity for sustainable development. The study emphasizes that the social business sector's potential for growth is heavily influenced by government policies, market conditions, and institutional support—factors that shape the entrepreneurial landscape.

By comparing the social business sector in Turkey with other developing countries, the framework seeks to identify the dynamics that drive or hinder sector development. It highlights the need for strategic policies and institutional frameworks that foster innovation, create opportunities, and ensure long-term viability. This framework is designed to offer a comprehensive understanding of the social business sector’s current state, its entrepreneurial capacity, and the external forces influencing its sustainability.

HYPOTHESES

In Turkey, while social entrepreneurship is gaining momentum—with approximately 9,000 social enterprises operating across major cities like Istanbul, Ankara, and İzmir—its ecosystem faces structural and regulatory constraints that distinguish it from peer nations. Turkey currently has an average level of dedicated legal entity for social enterprises, forcing organizations to operate under heterogeneous structures such as cooperatives, limited liability companies, and NGOs. This fragmentation supports sectoral clarity, the progress of regulatory incentives and protections.

Financing is the most commonly known barrier in Turkey's social business sector. Stakeholders may cite a disconnection between conventional Corporate Social Responsible Budgets and Social Innovations compounded by underdeveloped impact investment mechanisms. However, Turkey has a chance to benefit from EU-backed programs. Besides like Turkey almost all developing countries like Bangladesh could benefit from Grameen-affiliated social businesses. Financial support like Grameen Bank give a chance to these countries having more integrated financing models, commercial alternatives. governmental support to scale impact. It is also important not to forget about government supports because government supports have a significant impact on the growth of the social business sector.

The following hypotheses are critical in advancing both theoretical and practical understanding of the social business sector in Turkey and its comparison to other developing countries. These hypotheses serve as foundational inquiries that bridge gaps in the existing literature, offering insights into structural, cultural, and economic factors that influence the development of social enterprises. By examining the dynamics of growth, sector suitability, opportunity, innovation saturation, and human resources in these contexts, these hypotheses have the potential to contribute significantly to the academic literature on social entrepreneurship in emerging economies.

H1: There is a significant difference between the social business sectors with the highest potential for growth and employment determined in Turkey and the social business sectors in developing countries.

Turkey's social business sector, with about 9,000 social enterprises mainly in Istanbul, Ankara, and İzmir, operates across education, manufacturing, agriculture, and creative industries. Their average scale is small—employing "4 full-time and 5–6 part-time" but many are ambitious about growth. In other developing economies like India, Bangladesh, and sub-Saharan African nations, social enterprises often scale via impact sourcing or BPO-related models, employing large numbers of disadvantaged workers. Thus, while Turkey has a vibrant, diverse base, the employment capacity remains more limited than models explicitly built for mass job creation elsewhere—supporting a hypothesis of significant difference.

The first hypothesis investigates the differences in growth and employment potential between Turkey and other developing countries, a topic that is central to understanding the scalability and sustainability of social enterprises. While much of the literature focuses on global trends in social entrepreneurship, there is limited comparative research on how specific sectors in individual countries foster employment and growth within their social business ecosystems. By contrasting Turkey's evolving social enterprises with those in other developing countries, this hypothesis provides a nuanced understanding of sectoral growth dynamics. Additionally, examining growth potential directly links to theories of social innovation and economic development (Schaltegger & Wagner, 2011). The hypothesis is logical as it considers the unique economic, legal, and socio-political contexts of Turkey and other developing countries, directly affecting employment and enterprise scalability.

H2: There is a significant difference between the sectors which are suitable for social entrepreneurship in Turkey and the sectors in developing countries.

Turkish social enterprises focus heavily on refugee integration, youth employment, and traditional industries like agriculture, food, textiles, and artisan crafts. Leadership is majority female (55 %) and young

(<35 years, 47 %). Conversely, in South Asia, social enterprises concentrate on microfinance, women empowerment (20 % women-led), health, and education. In Africa and Latin America, initiatives such as those supported by Yunus Social Business deploy agriculture, health, education, and energy models. Differences in thematic focus and founder demographics indicate support for significant divergence in sector suitability.

The second hypothesis explores the suitability of various sectors for social entrepreneurship in Turkey and other developing countries. This distinction is important because social entrepreneurship is not a one-size-fits-all approach. The opportunities and challenges faced by social entrepreneurs vary greatly across regions and sectors, depending on the local context, available resources, and the urgency of social needs. By comparing sectoral suitability, this hypothesis expands on previous studies in entrepreneurship theory (Mair & Marti, 2006), which emphasize the role of context in shaping the success of social ventures. The logic behind this assumption lies in the premise that different economies—depending on their developmental stage, human capital, and institutional support—will have varying levels of suitability for social entrepreneurship.

H3: There is a significant difference between the sectoral opportunities for social business sector in Turkey and the sectoral opportunities in developing countries.

Turkey's social innovation ecosystem is supported by EU-funded programs like the €39.5 M SEECO initiative, smart-city municipal efforts, startup funding, and growing renewable energy and agritech sectors. Meanwhile, developing countries benefit from large-scale programs—India's impact-sourcing BPOs (e.g., RuralShores) and Yunus-funded ventures across agriculture, sanitation, energy, and education. Thus, opportunity areas differ: Turkey emphasizes local innovation and EU-aligned frameworks, whereas other countries deploy standardized, export-oriented models with direct social impact. Hypothesis H3 appears validated.

The third hypothesis addresses sectoral opportunities for social businesses, an area where the literature is sparse. Studies on social entrepreneurship often fail to fully address how external factors such as governmental policies, financial ecosystems, and technological advancements can impact sectoral opportunities. Turkey's social business sector may face distinct barriers compared to other developing economies, such as underdeveloped impact investment markets or restrictive regulations. This hypothesis logically follows from a theoretical framework of institutional theory, which suggests that opportunities for social businesses are shaped by the broader institutional and policy environment (North, 1990). It is useful because it brings attention to sector-specific dynamics that are often overlooked in generalized studies of social entrepreneurship.

H4: There is a significant difference between the social business sector saturated with social enterprises and social innovations in Turkey and the social business sector in developing countries.

In Turkey, social innovation has momentum but lacks saturation: regulatory ambiguity, weak financial instruments, and limited network connectivity persist. Only 86 % of social enterprises report innovation but systemic support remains fragmented. Conversely, countries like India and the Philippines show saturation in impact sourcing, and Africa and Latin America have growing networks of incubators backed by organizations like Yunus Social Business. This suggests a lower saturation of social enterprise density and innovation infrastructure in Turkey—again confirming a significant difference.

The fourth hypothesis delves into the saturation of social enterprises and social innovations in Turkey versus other developing countries. This is an essential inquiry because saturation in a market can indicate maturity, competition, and resource allocation, which directly affect the sustainability and scalability of social ventures. In Turkey, social enterprises are still in a relatively nascent stage compared to countries like India or Bangladesh, where social entrepreneurship is more deeply embedded in the local economy. This hypothesis ties into market theory and innovation diffusion theory, both of which argue that market saturation and innovation adoption are linked to sector maturity. This is crucial for understanding how innovation flows and sustains itself in social business sectors, and the results can have implications for policy and resource allocation.

H5: There is a significant difference between human resources to sustain social investments in social business sector in Turkey and the social business sectors in developing countries.

Turkey's sector is youth-rich (47 % under 35) and female-led (55 %), but many leaders lack business-oriented training and financial literacy. There is a recognized need for capacity building through incubators and university partnerships. By contrast, other developing nations (e.g., India, South Asia) have formal skill-development pipelines, training institutions, and social BPO employment schemes that intentionally develop disadvantaged cohorts with workplace competencies. Thus, Turkey currently lags in structured human-resource provisioning for sustaining social investment, verifying H5.

The fifth hypothesis considers human resources as a critical factor for sustaining social investments in the social business sector. The human capital required for running and scaling social enterprises is a key determinant of success, yet it remains underexplored in social entrepreneurship literature. The lack of skilled leadership and entrepreneurial capacity in emerging markets, including Turkey, has been identified as a key barrier to growth (Seelos & Mair, 2005). This hypothesis logically extends the existing research on capacity-building and social impact investment by emphasizing the role of human capital in maintaining social enterprise sustainability. The difference in human resource availability and quality between Turkey and other developing countries provides critical insights into the structural barriers to scaling social businesses and suggests areas for policy intervention.

METHODOLOGY

Factor analysis is generally used in cases where it is desired to express a large number of existing variables under a common variable, that is, a factor group, by determining a few basic dynamics.

In this study, responses were collected from participants in 20 countries, including responses from experts from 19 developing countries and experts from Turkey. In order to create common responses on a country basis by more than one but equal number of experts for each country, and to record all expert responses as if a single country had a single data in groups brought together, the responses were grouped using factor analysis of data gethering from International Academic Social Business Sector Workshop 2020. The groups determined using factor analysis will then be systematically analyzed using comparative analysis, and similarities and differences between countries will be interpreted.

The sample includes 180 randomly selected experts randomly selected from the treasury and economic development ministries of each country. Every 9 experts of each country are grouped in one factor group.

Factor analysis is a crucial statistical technique in this study due to its ability to reduce a large number of variables into a smaller set of underlying factors, making complex data more interpretable and manageable. The primary goal of factor analysis is to identify patterns or structures within a set of variables and group them into factors that represent the common variance between those variables. In the context of this study, factor analysis serves several important functions.

First, the study involves responses from experts across 20 countries, including 19 developing countries and Turkey. These responses, collected from 180 randomly selected experts from treasury and economic development ministries, encompass a broad spectrum of perspectives and data points. Given the large number of variables from diverse regions, factor analysis is the ideal technique to identify and group common dynamics across countries. The large number of variables—spanning various economic, social, and institutional aspects—can overwhelm traditional analysis methods. Factor analysis reduces this complexity by grouping related variables into factors that represent shared characteristics or constructs, thus facilitating a more focused analysis.

Another critical application of factor analysis in this study is in addressing the need for grouping responses by country. With responses from multiple experts per country, the goal is to represent the collective perspective of each country as a single data point while preserving important distinctions between countries. Factor analysis allows for this aggregation by grouping expert responses into factors, ensuring that each country's expert responses are represented by a cohesive, collective factor group. This approach effectively converts the multiple individual data points from each country into meaningful, interpretable factors, thereby simplifying the comparative analysis.

Furthermore, factor analysis enhances the comparative analysis that follows. Once factors are identified, they can be systematically analyzed to detect similarities and differences between countries. The factors will help identify which aspects of the social business sector are common across countries and which ones are unique to specific regions. For example, factors might reveal shared challenges in financing, innovation, or regulatory environments, or they could highlight country-specific opportunities or barriers. This structured approach to data reduction enables a more precise comparison and interpretation of the factors that influence social business dynamics in Turkey and the other developing countries.

Finally, the study's design, with nine experts per country grouped into a factor group, ensures consistency across the sample, reducing potential biases or skewed responses. The use of factor analysis, therefore, provides a methodologically sound framework to aggregate expert opinions in a way that is both statistically rigorous and contextually meaningful.

In summary, factor analysis is an essential tool for this study as it simplifies the complex, multifaceted data from multiple countries into coherent, interpretable factors. This reduces data complexity, enables effective comparison, and ultimately leads to a more insightful understanding of the dynamics of the social business sector in Turkey and other developing countries.

Research Questions

The questions determined in the research to collect current data about social entrepreneurship and socially responsible sector for each country are as follows:

Question 1: How are the social business sectors where social entrepreneurs with high potential in terms of growth and employment are most involved determined?

Question 2. Which sectors do you think are more suitable for social entrepreneurship and why?

Question 3. What are the sectoral opportunities for social business sector?

Question 4. Do you think your country's social business sector is saturated with social initiatives and social innovations?

Question 5: Do the human resources in your country have the capacity to sustain social investments in the social business sector?

RESULTS AND DISCUSSION

Dummy coding was used to measure that the variables are equally spaced. The linearity of the relationship between the variables was tested. Multivariate normality was tested and the factors are unrelated to each other. That is, there is no orthogonality regarding these variables.

Table 1
Univariate and multivariate normality test

Test	Variable	N	Centered Skewness & Kurtosis	Test Statistic Value	DF	Probability
Shapiro Wilk	1-TR	180	-	0.8938	-	0.0183
Shapiro Wilk	2	180	-	0.9025	-	0.0178
Shapiro Wilk	3	180	-	0.9167	-	0.0165
Shapiro Wilk	4	180	-	0.8998	-	0.0181
Shapiro Wilk	5	180	-	0.8807	-	0.0172
Shapiro Wilk	6	180	-	0.8956	-	0.0182
Shapiro Wilk	7	180	-	0.8995	-	0.0180
Shapiro Wilk	8	180	-	0.9003	-	0.0179
Shapiro Wilk	9	180	-	0.9079	-	0.0178
Shapiro Wilk	10	180	-	0.8983	-	0.0182
Shapiro Wilk	11	180	-	0.9123	-	0.0177
Shapiro Wilk	12	180	-	0.8892	-	0.0223
Shapiro Wilk	13	180	-	0.9029	-	0.0078
Shapiro Wilk	14	180	-	0.8922	-	0.0126
Shapiro Wilk	15	180	-	0.9097	-	0.0248
Shapiro Wilk	16	180	-	0.9157	-	0.0232
Shapiro Wilk	17	180	-	0.8984	-	0.0303
Shapiro Wilk	18	180	-	0.8991	-	0.0290
Shapiro Wilk	19	180	-	0.9014	-	0.0113
Shapiro Wilk	20	180	-	0.9028	-	0.0187
Mardia Skewness		180	0.75345	21.9017	165	0.2478
Mardia Kurtosis		180	0.59142	-0.7489	-	0.7332
Royston H		180	-	16.1541	2.2837	0.0031
Henze- Zirkler T		180	-	0.9779	-	0.0109
Doornik Hansen		180	-	13.0769	15	0.0799

Dummy variables 180 qualitative and quantitative data 20 exercises and complements 165 discriminant analysis and statistical learning are analyzed. Table 1 illustrates the procedure for an illustration on prediction of Barnet and Lewis. Dummy zero one values are measured by Shapiro Wilk test by each sample. The groups determined as a result of the analysis with the help of the summary statistics tables were numbered between 1-20. Each number in the tables represents a developing country. In the following tables, only the data belonging to Turkey will not be kept secret and thus, the common answers of Turkey and the other 19 developing countries will be compared and the readers will be enlightened about how Turkey's current situation is compared to other countries.

Table 2

Common responses of 20 countries' experts to question 1: "How are the social business sectors with the highest potential for growth and employment determined?"

20 Countries' Experts	Common Responses
1 TR	The intensity of competition and profitability.
2	The number of educated people.
3	It can be any sector that can produce social benefits.
4	Starting and growing something that is not progressive in terms of deficiencies in the country is beneficial for both the entrepreneur and the country.
5	Skills and structuring are very important.
6	Innovativeness is important. The definition of entrepreneurship was first made by Richard Cantillon in France in the early 18th century. According to this definition, an entrepreneur is a person who buys production inputs and services to sell for a price that has not yet been determined and who creates added value by producing from these (Gerni et al., 2013). Schumpeter focused on the innovation aspect of entrepreneurship. According to Schumpeter, an entrepreneur is an innovative economic actor who innovates (Işık et al., 2011). According to Burns' (2001) definition of entrepreneurship, an entrepreneur is someone who uses change and opportunities to make a profit or innovates to create change and opportunities. They do this by taking on a high level of risk and uncertainty and moving economic resources from a low-productivity area to a high-productivity and return area.
7	Younger women in our country are already interested in social entrepreneurship
8	Sectors such as technology and digital goods are more common and the most demanded sectors today
9	The supports of investments
10	Depending on the goods and services, it changes.
11	Entrepreneurs' social projects in that direction and the impact of the projects on people.
12	The development status of the country also determines this.
13	What people need is very important.
14	Based on the frequency of R&D investments in the sector.
15	The innovative nature of the sector.
16	The potential of the sustainability in the sector.
17	The density of investors and foreign investors.
18	The more money and profit, the more attention it attracts.
19	The money inflow and outflow on the market.
20	Entrance barriers for entrepreneurs.

According to the answers received from the first question asked to the experts, Turkish experts stated that the common feature of the socially responsible sectors with the highest potential for growth and employment in Turkey is being profitable and competitive. On the other hand, the answers received from the experts of other developing countries for this question are quite diverse. While experts from one country argue that the socially responsible sectors with the highest potential for growth and employment depend on the large educated population, experts from another country stated that the common feature of the socially responsible sectors with the highest potential for growth and employment is providing social benefit. The features stated by the experts from other countries for the socially responsible sectors with the highest potential for growth and employment are as follows: contributing to both society and the economy, having sufficient skills and infrastructure, having intense innovation, being more popular with women entrepreneurs, having intense technology and digitalization (Hıdıroğlu, 2022), having sufficient investment supports, being focused on social benefit, being focused on human needs, being sustainable, having a high level of development of the country, and having low barriers to market entry.

According to the answers received from experts, Table 3 below lists the top three common characteristics of socially responsible sectors with the highest potential in terms of growth and employment:

Table 3

Common characteristics of the social business sectors with the highest potential for growth and employment

	Common Characteristics of The Social Business Sectors
1	Providing benefits to society
2	Being innovative
3	Providing sufficient support for investment.

According to Table 3, the most common features of socially responsible sectors collected from experts from developing countries are as follows: Providing benefits to society, being innovative and providing sufficient support for investment. When compared to the views received from experts from Turkey, the common view of the participants from developing countries about the socially responsible sectors with the highest potential for growth and employment is that they contribute to society, are innovative and support investment, contrary to the view that Turkey is profitable and competitive.

Although entrepreneurial activities differ according to their types, one of the similarities between social entrepreneurship and any other types of entrepreneurship is that the social capitals of enterprises operating in geographically close regions but in different sectors are similar to each other. It will be inevitable for enterprises with similar social capitals that follow trends closely to achieve a rapid increase in growth rates. However, it would not be correct to generalize this judgment for the manufacturing sector. Because there are many environmental factors that affect growth rates in producers and the manufacturing sector is more complex and uncertain. Although these enterprises have similar structures in terms of social capital, they are affected by different environmental variables and have different growth statistics.

Table 4 below shows the common responses of 20 countries' experts to Question 2:

Table 4

Common responses of 20 countries' experts to question 2: "Which sectors do you think are more suitable for social entrepreneurship and why?"

20 Countries' Experts	Common Responses
1- TR	The sector focusing on the solutions of social and environmental problems.
2	Programs prepared over the internet.
3	It can be in all areas.
4	Technology.
5	Market and hotel management.
6	Ecological, for the environment.
7	Every sector that produces social benefit is suitable.
8	There should not be a sector distinction. I think social entrepreneurship can be in every sector.
9	It depends on what kind of problems people have and why they are having trouble. It also arises from a bit of cultural difference
10	Industry
11	Every field related to economics, because people already mature by learning this information from university.
12	Technology, because it is more widespread and useful
13	The food sector is suitable for social entrepreneurship, although it is risky. It is used more frequently and the industrial sector is also suitable for all of them.
14	Health, food, sectors that support gender equality. In terms of world problems, the most important issues are.
15	I think it could be water consumption.
16	It could be a sector include the protection of nature.
17	It could be the sectors related UN Sustainable Goals.
18	The environmental sector is more important for today because it is the biggest problem of the world currently.
19	The sector focusing on eliminating poverty and provide societies equal rights and freedoms.
20	The sector increases and supports social responsibility among employees and societies.

In the second question, country experts were asked about their opinions on which sector is more suitable for social entrepreneurship. According to the answers received from the second question, Turkish experts stated their opinions that the sectors that find solutions to social and environmental problems in Turkey are the most suitable sectors for social entrepreneurship. The answers received from the experts from developing countries are as follows, respectively: sectors with internet access, every sector, sectors with strong technological infrastructure, marketing and hotel sector, sectors where ecological studies are conducted, every sector that produces social benefits, every sector, production sector, sectors that closely affect economic development, sectors with intensive technology integration, food sector, production sector, health sector, environmentally sensitive sectors, sectors focusing on social justice, sectors investing in social development and sustainable sectors.

According to the answers received from the experts, the first three most common opinions of the experts on which sector is more suitable for social entrepreneurship are given in Table 5 below:

Table 5
Common responses of the most suitable sectors for social entrepreneurship

	The Most Suitable Sectors for Social Entrepreneurship
1	Every sector
2	Environmentally sensitive sectors
3	Technology Integration Intensive Sectors

According to Table 5, the 3 most common opinions of experts from developing countries on which sector is more suitable for social entrepreneurship are as follows: Every sector, environmentally sensitive sectors, Technology Integration Intensive Sectors. When compared to the opinions of experts from Turkey, it was observed that similar to the opinions of participants from developing countries, the opinion that environmentally sensitive sectors are suitable for social entrepreneurship is also common in these countries.

Table 6 below shows the common responses of 20 countries' experts to Question 3:

Table 6
Common responses of 20 countries' experts to question 3: "What are the sectoral opportunities for social business sector?"

20 Countries' Experts	Common Responses
1- TR	Research and Development facilities and social innovation supports.
2	Information source thanks to the latest technologies.
3	Social network.
4	Social power of the internet, quality content and digital marketing.
5	Unions and communities.
6	Niche markets Gaps in sectors Start-ups etc. It is known that these can be used for action.
7	Foundations and organizations.
8	People with logic, courage, faith start with competitions given small brands.
9	Sectors that are said to be less than nothing are the real opportunity.
10	Some sectors are supported less than other sectors.
11	Social entrepreneurs have created a new sector Entrepreneurship and innovation, which the business world has embraced tightly, also play a role in solving social problems in the century we live in. Unlike civil society and civil initiatives, social entrepreneurship and the citizen sector, which we have just

	started to hear about in Turkey, are growing by taking many successful examples from the world. Entrepreneurship and innovation, which the business world has embraced tightly, also play a role in solving social problems in the century we live in. Unlike civil society and civil initiatives, social entrepreneurship and the citizen sector, which we have just started to hear about in Turkey, are growing by taking many successful examples from the world. There are university departments that focus on social entrepreneurship, organizations that support entrepreneurs, summits and of course these hundreds of social initiative studies that have a 20-year history. Those who develop, maintain and provide social transformation by starting from a problem and developing long-term projects on many issues from poverty to health, from environment to human rights based on social impact, entrepreneurship, innovation, sustainability and growth are called social entrepreneurs. Social entrepreneurs, "Do not just give fish or teach how to fish, they work until they revolutionize the fish industry." Social entrepreneurs receive funds and donations from many places, from foundations to governments, from the UN to civil organizations. They spend these donations on sustainable models.
12	Foreign markets and international trade.
13	Crowdfunding, incubation centers.
14	Angel investors.
15	Government supports.
16	Technical Support.
17	Well education systems.
18	Banks and owners.
19	Mentorship programs.
20	Strong financial mechanisms.

In the third question, country experts were asked about their views on the sectoral opportunities of the social business sector. In question 3, Turkish experts evaluated the strong infrastructure in Turkey for R&D activities and the support Turkey provides for the development of social innovations as sectoral opportunities of the social business sector.

On the other hand, experts from developing countries mentioned the following as sectoral opportunities of the social business sector: access to information, social network, qualified content and digital marketing (Hıdıroğlu, 2022), powerful unions and communities, niche markets, Start-ups, strong foundations and organizations, talented people, lack of support in some sectors, supports on social entrepreneurship, international trade, crowdfunding, incubation centers, angel investors, government supports, technical support, well education systems, banks and owners, mentorship programs, strong financial mechanisms.

According to the views received from country experts, Table 7 below shows the three sectoral opportunities most commonly mentioned by experts regarding the social business sector:

Table 7

Common responses of sectoral opportunities for social business sector

	Sectoral Opportunities for Social Business Sector
1	Any kind of supports for investors
2	Unions, communities, foundations and organizations
3	Strong financial mechanisms

According to Table 7, the 3 most common opinions of experts from developing countries on which sector is more suitable for social entrepreneurship are as follows: Any kind of support for investors, unions, communities, foundations and organizations and strong financial mechanisms. When expert opinions of Turkey and other developing countries are compared, it was observed that Turkish experts, contrary to the opinion of participants from developing countries, evaluated the strong infrastructure supporting R&D activities and the government support provided for the development of social innovations as sectoral opportunities of the social business sector.

Table 8 below shows the common responses of 20 countries' experts to Question 4:

Table 8

Common responses of 20 countries' experts to question 4: "Do you think your country's social business sector is saturated with social initiatives and social innovations?"

20 Countries' Experts	Common Responses
1- TR	No and it will be like this in the coming years.
2	Yes.
3	No.
4	No.
5	No.
6	No.
7	No.
8	No.
9	No. Actually, there was social entrepreneurship. But we have just started to get to know each other. That's why I think we have a long way to go.
10	No, it is not possible for it to be like this in Turkey.
11	No.
12	No, of course. In general, there is no such thing as saturating the market in entrepreneurship. There is always a gap.
13	A little yes, I think.
14	No, this field is completely new for us.
15	Actually, there are many social entrepreneurship projects in Azerbaijan, but since more people are turning to individual entrepreneurship, it is not heard that much. So, the answer is no.

16	Social enterprise and social innovation are familiar concepts for our country. But it needs to be further developed. The answer is no.
17	No.
18	No.
19	No.
20	No.

In the fourth question, country experts were asked about their opinions on whether the social business sector in their country is sufficiently full of social enterprises and social innovations. Experts from Turkey answered no to Question 4 and stated that it would take some time for this to happen.

On the other hand, experts from developing countries mostly answered "no" to this question. Only 2 country experts out of 20 countries participating in the survey answered "yes" to this question. Some of the country experts who answered "no" stated that there are social enterprises in their countries but that there are still not enough social enterprises and social innovations, that there are gaps in this regard and that there is a long way to go.

Table 9

Common response of question 4: "Do you think your country's social business sector is saturated with social initiatives and social innovations?"

	Whether Social Business Sector is saturated with social initiatives and social innovations or not
1	No. There is still a long way to go.

According to Table 9, experts from developing countries have a common view with experts from Turkey. More than 90% of Turkish experts and experts from developing countries answered "no" to this question.

Table 10 below shows the common responses of 20 countries' experts to Question 5:

Table 10

Common responses of 20 countries' experts to question 5: ""Do the human resources in your country have the capacity to sustain social investments in the social business sector?"

20 Countries' Experts	Common Responses
1-TR	Yes; it is and projects are being carried out in this direction to inform people more.
2	Yes.
3	Yes.
4	No.
5	Yes, it can reach a sufficient level with the necessary training.
6	No.

7	Yes, I believe that we will reach the quality with sufficient work.
8	No, training on this subject needs to be increased.
9	No.
10	Yes.
11	Yes.
12	Actually yes.
13	Yes, human resources are sufficient, and technological factors are also important.
14	No.
15	No.
16	No.
17	No.
18	No.
19	No.
20	No.

In the fifth question, country experts were asked about their opinions on whether the human resources in their countries were sufficient to sustain social investments in the social business sector. Experts from Turkey answered “yes” to the fifth question and mentioned that new projects were being carried out to inform people more.

On the other hand, experts from developing countries mostly answered “no” to this question. Out of the 20 countries that participated in the survey, 8 country experts answered “yes” to this question, while the remaining 12 country experts, including Turkey, answered “no”. Some of the country experts who answered “no” stated that it would be easier to reach the needed human resources by ensuring the development and dissemination of education in addition to their answer “no”. Countries that answered yes, similar to those who answered no, also mentioned the importance of education in creating human resources. However, experts who answered yes mentioned that technology was also effective in training human resources in addition to education.

Table 11

Common response of question 5: ““Do the human resources in your country have the capacity to sustain social investments in the social business sector?”

	Whether human resources have the capacity to sustain social investments in the social business sector or not
1	No. There is still a long way to go.

According to Table 11, experts from developing countries and experts from Turkey have a common opinion. 55% of Turkish experts and experts from developing countries answered “no” to this question.

DISCUSSION AND CONCLUSION

Countries encourage sectors to create new income and employment opportunities. In fact, countries aim for social welfare and economic development through businesses by doing this. In developed, developing and even underdeveloped countries, the socially responsible sector is extremely important for both social and economic development among all sectors. The socially responsible sector is the sector that focuses more on how countries organize and support responsible business practices, how local and international businesses fulfill their social responsibility duties on a macro scale, how social participation imposes a responsibility on countries and businesses, etc. compared to other sectors.

The social business sector has sustainable goals that support long-term social development. The social business sector aims to bring consumers' behavior to the desired state and create awareness about responsible behavior (production, consumption, service). In the social business sector, it is possible to talk about 3 basic level goals, namely economic, social and environmental, and therefore business strategy. In the socially responsible sector, investors and entrepreneurs are dedicated to social goals and in the commercial activities they plan to make a profit, they actually carry out their social goals rather than increasing their income.

This study aims to obtain information about the social business sector dynamics of Turkey and 19 developing countries and to compare the social business sector developments of Turkey and other countries. As can be seen from the findings obtained as a result of the analysis of data collected from 180 experts from 20 countries in the International Academic Social Business Sector Workshop 2020, the social business sector cannot be said to be sufficiently developed in almost any country.

Although some countries have initiated some studies for the development of this social business sector and taken steps on a macro scale, it cannot be said that they have reached the targeted point yet. For example, when country experts were asked about their opinions on whether the human resources in their countries were sufficient to sustain social investments in the social business sector, more than half of the country participants stated that the human resources were insufficient in this sector. They suggested that trainings be planned to increase qualified human resources.

When the same experts were asked about their opinions on whether the social business sector was sufficiently full of social initiatives and social innovations, they stated that there were not enough social initiatives and social innovations; there were serious gaps and deficiencies in this area. In fact, out of the 20 participating countries, only 2, excluding Turkey, stated that there were sufficient social enterprises and social innovations in their countries.

The common feature of socially responsible sectors with the highest potential for growth and employment has been expressed by experts as the sector being socially beneficial, innovative and having a strong financial infrastructure. In light of the findings obtained with the data collected from 20 country experts in International Academic Social Business Sector Workshop 2020, it can be said that every sector can be suitable for social entrepreneurship. Experts stated that every sector that can provide solutions to social and environmental issues can be suitable for social entrepreneurship. When their opinions were asked about the sectoral opportunities of the social business sector, the most frequently expressed opportunity was support and strong financial mechanisms.

Turkey's social business sector, although emerging from a less formalized legal and financial environment compared to other developing economies, demonstrates notable strengths, including high innovation rates, strong leadership from women and youth, and growing institutional support (Hıdıroğlu, 2020; Hıdıroğlu, 2021). These factors, when combined with targeted structural reforms and cultural legitimization, position Turkey to achieve significant growth in its social enterprise ecosystem, potentially surpassing other developing countries in terms of impact and sustainability. Future research should adopt longitudinal frameworks and integrate performance metrics to assess the long-term evolution of social business ecosystems and their impact across different countries.

The social business sector has increasingly been scrutinized, leading to a better understanding of the importance of responsible practices. One key contribution of the article is its link between socially responsible sectors, responsible practices, and social entrepreneurship literature.

This study argues that social enterprises, by addressing the needs of vulnerable groups neglected by traditional businesses and governments, display responsible marketing practices. These enterprises create innovative products, services, pricing mechanisms, and business models that improve the quality of life for various social groups. However, there is significant variation in the approaches, attitudes, and practices of social enterprises. These differences stem from factors such as the personal beliefs of entrepreneurs, dysfunctional strategies, or the devaluation of social value by many industry representatives. Furthermore, many social enterprises have evolved from non-profit organizations with a non-profit mentality and legacy, which influences their approach to social value creation and marketing.

The strengths and challenges within Turkey's social business sector reflect broader trends seen across developing countries, where innovation and leadership often coexist with structural and institutional barriers that hinder long-term growth. In this context, this study calls attention to the importance of institutional support and structural reforms. However, it is critical to recognize that social businesses in Turkey, and developing economies more broadly, often face a paradox: they are expected to drive social impact, yet they operate within fragile institutional frameworks that may lack the regulatory, financial, and political stability necessary for sustainable growth. This discrepancy between the innovation capacity of social enterprises and the insufficient institutional frameworks often results in a reactive approach to social issues rather than a proactive, long-term vision.

In comparison to more developed economies, the legal and financial informalities that characterize the social business sector in developing countries can create both opportunities and challenges. While informality may allow for greater flexibility and adaptability, it also hinders the sector's ability to scale and attract long-term investments. This highlights the need for comprehensive institutional reforms that address policy gaps, access to finance, and capacity building for social enterprises. Institutional frameworks that support social businesses—such as impact investing, social impact bonds, and tax incentives for socially responsible businesses—are key to fostering a sustainable and thriving social business ecosystem.

Moreover, the focus on female and youth leadership in Turkey is particularly significant in a global context where social entrepreneurship is often seen as a mechanism for empowerment and social inclusion. Young people and women, particularly in developing countries, tend to have a stronger affinity for social enterprises because these ventures align with their values of empowering marginalized communities and addressing global challenges like inequality and climate change. Therefore, the integration of youth and female leadership within Turkey's social business sector may not only drive innovation but also help bridge the gender and generational gaps in social entrepreneurship.

However, social enterprises in Turkey and other developing countries also exhibit considerable variations in approach, particularly in their understanding and implementation of social value creation. These differences are often rooted in the entrepreneurial mindset and strategic orientation of the founders. Entrepreneurs who come from a non-profit background may retain certain values and operational strategies from their previous work, which can influence their approach to market dynamics, innovation, and financial sustainability. This legacy of non-profit thinking can sometimes limit the scalability of social enterprises, as it may encourage a focus on social impact over financial viability. To overcome this challenge, it is essential for social entrepreneurs to adopt a hybrid business model that integrates social value creation with financial sustainability. This model would enable them to balance their social missions with the market realities they face, thereby ensuring the longevity and scalability of their enterprises.

The sector’s growth also hinges on performance metrics that can effectively measure social impact and financial success. Unlike traditional businesses, social enterprises must demonstrate both social return on investment (SROI) and financial return, which complicates the development of standardized assessment tools. Therefore, future research should focus on developing comprehensive frameworks that integrate qualitative and quantitative metrics, enabling a more robust understanding of the social business sector's overall performance.

In conclusion, while Turkey’s social business sector shows immense promise, its long-term success will depend on the alignment of institutional reforms, entrepreneurial mindsets, and strategic planning. For this sector to transition from reactive to proactive responses, a more structured, sustainable ecosystem must emerge—one that combines innovation with long-term vision and leverages both social and financial capital. Further research in this area will contribute significantly to both the academic literature and policy-making, ensuring that social businesses are adequately supported in their journey toward achieving systemic and transformative social change.

SUGGESTIONS

A comparative analysis of the social business sector dynamics between Turkey and other developing countries suggests that while Turkey exhibits strong innovation and demographic engagement, there remains significant room for growth in institutional support and policy frameworks. In the near future, Turkey could benefit from learning from other developing countries that have advanced formal policies, such as dedicated legal statuses for social enterprises, impact investment vehicles, and structured grants, to create a more mature ecosystem. Furthermore, fostering cross-sector collaboration through university incubators, increasing financial literacy, and driving a cultural shift towards viewing social enterprises as vital contributors to sustainable development rather than just startups will be key. By integrating these strategies, Turkey can enhance its social business landscape and potentially become a regional leader in social entrepreneurship.

REFERENCES

Ayaz, O., & Tatoglu, E. (2024). Unveiling the power of social value: catalyzing circular economy in emerging market SMEs. *Journal of cleaner production*, *453*, 142245.

Bandyopadhyay, C., & Ray, S. (2019). Responsible marketing: can social enterprises show the way?. *Journal of nonprofit & public sector marketing*, *31*(2), 164-183.

Benneworth, P., & Cunha, J. (2015). Universities’ contributions to social innovation: reflections in theory & practice. *European journal of innovation management*, *18*(4), 508-527.

European Proceedings. (2021). *Innovation in Small and Medium-Sized Enterprises: Trends in Turkey and developing economies*.

Evers, A., & Laville, J. L. (2004). Social services by social enterprises: on the possible contributions of hybrid organizations and a civil society. *The third sector in Europe*, *237*.

Jäger, U., Symmes, F., & Cardoza, G. (2020). *Scaling strategies for social entrepreneurs*. Springer International Publishing.

Gurel, E., Madanoglu, M., & Altinay, L. (2021). Gender, risk-taking and entrepreneurial intentions: assessing the impact of higher education longitudinally. *Education+ training*, *63*(5), 777-792.

Hıdıroğlu, D. (2020). Ethical Business Practices in Covid-19 Period: The Case of Kellogg Company. *Turkish Studies - Social Sciences*. 5(2), 141-151.

Hıdıroğlu, D. (2020). Girişimcilik Eğitimlerinin Girişimcilik Motivasyonuna Katkısı: Üç Boyutta Tek Yönlü Varyans Analizi. *İşletme Araştırmaları Dergisi.* 12(3), 3209- 3224.

Hıdıroğlu, D. (2020). Strategic Leadership: Best Practical Leadership Style to Business Strategies in the Period of Covid-19 Epidemic. *Turkish Studies - Social Sciences.* 15(4), 19045-1955.

Hıdıroğlu, D. (2021). The Effects of Individiual Level Factors and Entrepreneurial Incentives on Women Entrepreneurship. *JOEEP: Journal of Emerging Economies and Policy*. 6, 102-110.

Hıdıroğlu, D. (2022). Digital Sustainability in Businesses. *Conflict Management in Digital Business: New Strategy and Approach*. 1, 241-259. Emerald Publishing Limited, Bingley.

Hıdıroğlu, D. (2022). Digital Workplace Entrepreneurship. Managing The *Digital Workplace in The Post-Pandemic*. 1, 148- 161. Routledge is an imprint of the Taylor & Francis Group, New York.

Hıdıroğlu, D. (2023). Sosyal Girişimcilik Becerileri. *Sosyal Girişimcilik: Teori ve Uygulamalar.* 1, 1-13. Nobel Bilimsel Eserler, Ankara.

Hıdıroğlu, D. (2025). Social and Cognitive Determinants of Sustainability- Oriented Entrepreneurship: A Cross-National Analysis from The Global Entrepreneurship Monitor. *TPM-Testing Psychometrics Methodology in Applied Psychology Testing Psychometrics Methodology in Applied Psychology.* 32(7), 2183- 2195.

Hıdıroğlu, D. (2025). Strategic Innovatıon Management and Sustainable Entrepreneurship of Saudi Arabia in 2021-2022-2023: Regression Analysis of Entrepreneurship Conditions (Efcs) on GEM Database. *International Journal of Environmental Sciences.* 11(22), 5330- 5348.

Hıdıroğlu, D. (2025). The Economic Welfare and Community Development: The Crosstab Analysis of “Johnson City Partners Ny” Business Strategies. *Revista Latinoamericana de la Papa*. 29(1), 513-524.

Hıdıroğlu, D. (2025). The Effects of Social Capital and Social Networks on Entrepreneurship- An Examination of Educational Expenditures of Entrepreneurship Clubs by The Structural Equation Model. *LEX LOCALIS-JOURNAL OF LOCAL SELF-GOVERNMENT.* 23(10), 1209-1234.

Hıdıroğlu, D. (2025). The Interaction Effect of Gender, Development of Financial Leasing and Reliability of Financial Systems on Entrepreneurship: Mixed- Effects Regression Analysis. *Turkish Studies-Economics, Finance, Politics*. 465-486.

Hıdıroğlu, D. (2025). The Situational Analysis of Social Entrepreneurship Ecosystem in 20 Countries: The Weighted Average Approach Based on “International Academic Social Entrepreneurship Workshop. *SCIENTIFIC CULTURE.* 11(4), 1252-1266.

Kramer, M. R., & Porter, M. (2011). *Creating shared value* 1(17). Boston, MA: FSG.

McMullen, J. S. (2011). Delineating the domain of development entrepreneurship: A market–based approach to facilitating inclusive economic growth. *Entrepreneurship theory and practice*, *35*(1), 185-215.

McMullen, J. S., & Bergman Jr, B. J. (2017). Social entrepreneurship and the development paradox of prosocial motivation: A cautionary tale. *Strategic entrepreneurship journal*, *11*(3), 243-270.

McWilliams, A., & Siegel, D. S. (2011). Creating and capturing value: Strategic corporate social responsibility, resource-based theory, and sustainable competitive advantage. *Journal of management*, *37*(5), 1480-1495.

MDPI. (2021). *Cultural and institutional dynamics in Turkish social enterprises*.

Molecke, G., & Pinkse, J. (2017). Accountability for social impact: A bricolage perspective on impact measurement in social enterprises. *Journal of business venturing*, *32*(5), 550-568.

Munari, F., & Toschi, L. (2018). The intersection between capacity building and finance. In *Capacity building in technology transfer: the European experience*. 105-120. Cham: Springer International Publishing.

Naudé, W. (2010). Entrepreneurship, developing countries, and development economics: new approaches and insights. *Small business economics*, *34*, 1-12.

Quaye, J. N. A., Halsall, J. P., Winful, E. C., Snowden, M., Opuni, F. F., Hyams-Ssekasi, D., ... & Fairhurst, B. (2024). Social enterprises and the Sustainable Development Goals (SDGs): a means to an end. *Environment, development and sustainability*, 1-30.

Santos, F. M. (2012). A positive theory of social entrepreneurship. *Journal of business ethics*, *111*(3), 335-351.

Sergi, B. S., Popkova, E. G., Bogoviz, A. V., & Ragulina, J. V. (2019). Entrepreneurship and economic growth: the experience of developed and developing countries. In *Entrepreneurship and development in the 21st century*. 3-32. Emerald publishing limited.

Thanetsunthorn, N., & Wuthisatian, R. (2025). Corporate social responsibility in emerging markets: the role of reciprocity in business-government relations. *Social responsibility journal*, *21*(3), 520-548.

Tisdell, C. A. (2005). Economics of environmental conservation. In *Economics of environmental conservation, second edition*. Edward Elgar Publishing.

Valliere, D., & Peterson, R. (2009). Entrepreneurship and economic growth: Evidence from emerging and developed countries. *Entrepreneurship & regional development*, *21*(5-6), 459-480.

Wilson, F., & Post, J. E. (2013). Business models for people, planet (& profits): exploring the phenomena of social business, a market-based approach to social value creation. *Small business economics*, *40*, 715-737.