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## Exploring Social Entrepreneurship in the Hospitality Industry

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### **Abstract**

*Social entrepreneurship is often included in discussions of entrepreneurship and corporate social responsibility. There is evidence to suggest that a growing number of businesses make significant contributions to the community. These companies appear to adopt socially responsible strategies, through philanthropy, environmental awareness and community support. However, only few studies have dealt directly with the subject of social entrepreneurship in the hospitality industry. This study aims at researching social entrepreneurship within the hospitality industry in Ghana. It explores the types of social entrepreneurship initiatives undertaken by entrepreneurs; the entrepreneurs' motivational reasons; the potential benefits of the projects initiated; and the challenges the entrepreneurs encounter. Interviews were conducted on twenty practitioners within the hospitality sector in Ghana identified as social entrepreneurs. The findings revealed that these social entrepreneurs have initiated many social developmental projects in their communities such as the provision of social amenities, educational sponsorship, and contribution to quality health care and donation to the needy. The results of this study are relevant to the development of social entrepreneurship, and may provide examples of best practices for other business organizations in related sectors.*

**Keywords:** Social Entrepreneurship, Corporate Social Responsibility, Hospitality Industry

### **1. Introduction**

Organizations regardless of the sector they belong to, their dimension or their geographical location are increasingly asked to provide innovative solutions to manage complex social problems: from community development to social exclusion and poverty reduction (Margolis and Walsh, 2003). Social entrepreneurship has been increasingly catalyzing the interest of academics, companies, and the business debate for about a decade. The concept of social entrepreneurship has been widely reported in the mass media and is seen as an emerging discipline within many business schools.

According to Austin, Stevenson and Wei-Skillern (2006) social entrepreneurship is innovative, social value creating activity that can occur within or across the nonprofit, business, and public sectors. The first key element to stress is *innovation*. Entrepreneurship is a creative process that pursues an opportunity to produce something new. Replicating an existing organization, activity, or process is an important managerial activity, but unless it brings an important new dimension or element, it is not very entrepreneurial. The second key element is *social value creation*. This is the fundamental dimension differentiating social entrepreneurship from commercial entrepreneurship (Austin et al, 2006). While both forms are socially valuable, generating social value is the explicit, central driving purpose and force for social entrepreneurship. The third key dimension is the *loci*. Social entrepreneurship transcends sectors and organizational form. It can occur in all the sectors and their collaborative interactions.

For social entrepreneurs, the value is found in the form of large-scale transformational benefit that affects either sectors of society or society at large. In terms of personal characteristics, social entrepreneurs may be described as visionary change makers, who implement innovative ways of addressing pressing social problems (Grenier, 2007).

Social entrepreneurship signals the imperative to drive social change, and it is that potential payoff, with its lasting, transformational benefit to society, that sets the field and its practitioners apart. Social entrepreneurship, as a practice and a field for scholarly investigation, provides a unique opportunity to challenge, question, and rethink concepts and assumptions from different fields of management and business research. Social entrepreneurship is seen as differing from other forms of entrepreneurship in the relatively higher priority given to promoting social value and development versus capturing economic value. While there are many possible definitions that have been set forth in the early literature, the foregoing definitions have the fundamental virtue of creating a broad umbrella for this study on social entrepreneurship.

Social entrepreneurship is often included in discussions of nonprofit studies, entrepreneurship, and corporate social responsibility (CSR). Concurrently, it would seem that some hospitality corporations especially in the developed countries are displaying greater awareness of their role in the community by pursuing some aspects of social entrepreneurship. Accor (a major European hotel chain) stresses its commitment to people and the environment; Starwood Hotels has recently appointed a Vice President for Corporate Social Responsibility; Kimpton Hotels (a US national chain based in San Francisco) for several years has stressed environmental and community contributions; Wyndham in 2006 developed its core values and saw corporate social responsibilities as not just a programme, but as a way of living that embodies their vision and values (Bohdanowicz and Zientra, 2008). Also at Scandic and Rezidor Groups, the membership of the executive team has been expanded to include Vice Presidents who are responsible for sustainable business and community development (Ergul and Johnson, 2011).

Although there are a few studies on social entrepreneurship in the hospitality and tourism sector, those studies focused on the hospitality industry in developed country contexts (Austin et al, 2006; Desa, 2007; Bohdanowicz and Zientra, 2008; Ergul and Johnson, 2011). Very little is known about the hospitality industry in the less developed countries, specifically Ghana (Amoako *et al.*, 2012; Bokpin and Nyarko, 2009). This calls for more empirical research in developing country contexts to further our understanding of social entrepreneurship and what the hospitality companies are doing in pursuance of social entrepreneurship. This is expected to provide empirical basis for the development of social entrepreneurship and to contribute to the theoretical debate in the social entrepreneurship literature, particularly in developing country context.

Therefore, the main purpose of the study is to find out the contributions social entrepreneurs in the hospitality sector in Ghana are making to the development of their communities locally. The objectives of the study are to explore the types of social entrepreneurship projects embarked on by the entrepreneurs in the hospitality sector in Ghana; the motivations for embarking on these social entrepreneurship projects; the potential benefits of the projects; and the challenges associated with the execution of the projects.

## 2. Literature

### 2.1. Social Entrepreneurship in Perspective

Social entrepreneurship is growing rapidly and attracting growing amounts of attention. But along with its increasing popularity has come less certainty about what exactly a social entrepreneurship is and what it does. Many scholars have pointed out that, as a result of its increasing popularity, all sorts of activities are now being called social entrepreneurship (Martin and Osberg, 2007). The review will help in placing the study clearly within the right context and provide a framework for establishing a benchmark for comparing results with other findings (Creedy, 2008; Creswell, 2009).

Although social entrepreneurship (SE) is an emerging field of academic inquiry the phenomenon is not. Social entrepreneurs have always lived in communities, even if they have not been called by that name. Social entrepreneurs originally built many of the institutions that are now taken for granted. The origins of social entrepreneurship may be traced to two different sources: that of income generation by a non-profit venture and, a more general interpretation that defines social entrepreneurship as a process that involved identifying, addressing and solving societal problems (Desa, 2007). Social entrepreneurs look for the most effective methods of serving their social missions.

There is a need to identify the innovative projects embarked on by the entrepreneurs to address societal needs. Also, there must be an understanding of the rationale and motivations for companies to engage in what might be considered a distinct and higher form of what some have labeled corporate social responsibility. Almost all major corporations practise some form of philanthropy and their interest and investments in cooperate social responsibility have grown exponentially in recent years (Epstein and Hanson, 2005). However, social entrepreneurship is aimed at going beyond traditional philanthropy and cooperate social responsibility. It takes a much more strategic and innovative approach to push outward together, the frontiers of social and economic value generation to the transformational benefit of society (Austin, et al 2006). This is what requires social entrepreneurship.

Dees and Hass (1998) observed that though the concept of “social entrepreneurship” is gaining popularity, it means different things to different people. This can be confusing. Dees and Hass (1998) further argued that many associate social entrepreneurship exclusively with not-for-profit organizations starting for-profit or earned-income ventures. Others use the term to describe anyone, who starts a not-for-profit organization. Still, others use it to refer to business owners who integrate social responsibility into their operations (Ergul and Johnson, 2011). What does “social entrepreneurship” really mean? What does it take to be a social entrepreneur? The answer to these questions has their foundation in the term “entrepreneur.”

### 2.2. Entrepreneurship

Any definition of the term “social entrepreneurship” must start with the word “entrepreneurship.” The word “social” simply modifies entrepreneurship. If entrepreneurship does not have a clear meaning, then modifying it with social will not accomplish much, either. Dess (1998) pointed out that the word entrepreneurship is a mixed blessing. On the positive side, it connotes a special, innate ability to sense and act on opportunity, combining out-of-the-box thinking with a unique brand of determination to create or bring about something new to the world. Joseph Schumpeter, a renowned economist described entrepreneurs as the innovators who drive the “creative-destructive” process of capitalism (Schumpeter, 1961). According to Schumpeter, the function of entrepreneurs is to reform or revolutionize the pattern of production. The entrepreneurs can do this by exploiting an invention or, more generally, an untried technological possibility for producing a new commodity or producing an old one in a new way, by opening up a new source of supply

of materials or a new outlet for products, by reorganizing an industry (Schumpeter, 1961). Schumpeter's entrepreneurs are the change agents in the economy. By serving new markets or creating new ways of doing things, they move the economy forward.

Writing about entrepreneurs, a French economist Jean Baptiste Say was also emphatic that the entrepreneur shifts economic resources out of an area of lower and into an area of higher productivity and greater yield (Wennekers and Thurik, 1999). Entrepreneurs create value. Dees and Hass (1998) concur that many of the entrepreneurs that Say and Schumpeter have in mind serve their function by starting new, profit-seeking business ventures, but starting a business is not the essence of entrepreneurship. Though other economists may have used the term with various nuances, the Say-Schumpeter tradition that identifies entrepreneurs as the catalysts and innovators behind economic progress has served as the foundation for the contemporary use of this concept (Dees and Hass, 1998).

### 2.3. What is Social Entrepreneurship?

Scholars have noted that a literature review on social entrepreneurship, especially defining what social entrepreneurship is, and what its conceptual boundaries are, is not an easy task (Johnson 2000; Mair, Robinson and Hockerts, 2006; Cho, 2006). According to Johnson (2000), it is partly because the concept is inherently complex, and in part because the literature in the area is so new that little consensus has emerged on the topic. Nevertheless, a few key definitions have emerged. Schuyler (1998) describes social entrepreneurs as 'individuals who have a vision for social change and who have the financial resources to support their ideas'. Thompson, Alvy and Lees (2000) describe social entrepreneurs as 'people who realize where there is an opportunity to satisfy some unmet need that the state welfare system will not or cannot meet, and who gather together the necessary resources (generally people, often volunteers, money and premises) and use these to "make a difference"'.

One of the most frequently cited definitions of social entrepreneurship comes from Dees (2001). Mair et al (2006) noted that this definition combines an emphasis on discipline and accountability with the notions of value creation taken from Say, innovation and change agents from Schumpeter, pursuit of opportunity from Drucker, and resourcefulness from Stevenson. In brief, this definition can be stated as follows: Social entrepreneurs play the role of change agents in the social sector, by: *Adopting a mission to create and sustain social value (not just private value), Recognizing and relentlessly pursuing new opportunities to serve that mission, Engaging in a process of continuous innovation, adaptation and learning, Acting boldly without being limited by resources currently in hand, and Exhibiting heightened accountability to the constituencies served and for the outcomes created* (Dees, 2001: 4).

Although social sector leaders will exemplify these characteristics in different ways and to different degrees, the closer a person gets to satisfying all these conditions, the more that person fits the model of a social entrepreneur (Ergul and Johnson, 2011). Those who are more innovative in their work and who create more significant social improvements will naturally be seen as more entrepreneurial. Wennekers and Thurik (1999) were emphatic that the truly Schumpeterian social entrepreneurs will significantly reform or revolutionize their industries. Each element in this brief definition (Dees, 2001) deserves some further elaboration. These elements are explained as follows:

**Social entrepreneurs as change agent in the social sector:** Dees (2001) acknowledges that social entrepreneurs are the reformers and revolutionaries as described by Schumpeter, but with a social mission. In other words, social entrepreneurs make fundamental changes in the way things are done in the social sector, and because their visions are bold, they attack the underlying causes of problems rather than simply treating the symptoms. Further, they seek to create systematic changes and sustainable improvements. Dees and Hass (1998) also added that social entrepreneurs may act locally, yet their actions have the potential to stimulate global improvements in a variety of areas – education, healthcare, economic development, the environment, arts etc.

- **Adopting a mission to create and sustain social value:** According to Dees and Hass (1999) this attribute is the core of what distinguishes social entrepreneurs from business entrepreneurs even from socially responsible businesses. For a social entrepreneur, the social mission is fundamental. This is a mission of social improvement that cannot be reduced to creating private benefits (financial returns or consumption benefits) for individuals. Making a profit, creating wealth, or serving the desires of customers may be part of the model, but these are means to a social end, not the end in itself.
- **Recognizing and relentlessly pursuing new opportunities:** Dees (2001) further explained that where others see problems, entrepreneurs see opportunity. Social entrepreneurs are not simply driven by the perception of a social need or by their compassion, rather they have a vision of how to achieve improvement and they are determined to make their vision work. They are persistent.
- **Engaging in a process of continuous innovation, adaptation, and learning,:** Entrepreneurs are innovative. They break new ground; develop new models, and pioneer new approaches. Innovation can take many forms. It does not require inventing something wholly new; it can simply involve applying an existing idea in a new way or to a new situation. Dees and Hass (1998) explained further that entrepreneurs need not be inventors. They simply need to be creative in applying what others have invented. Their innovations may appear in how they structure their core programs or in how they assemble the resources and fund their work. On the funding side, social entrepreneurs look for innovative ways to assure that their ventures will have access to resources as long as they are creating social value (Dees 2001). This willingness to innovate is part of the modus operandi of entrepreneurs. It is not just a one-time burst of creativity. It is a continuous process of exploring, learning, and improving while taking into consideration the risk of failure. Entrepreneurs tend to have a high tolerance for ambiguity and learn how to manage risks for themselves and others. They treat failure of a project as a learning experience, not a personal tragedy (Dees and Hass 1998).
- **Acting boldly without being limited by resources currently in hand:** Social entrepreneurs do not let their own limited resources keep them from pursuing their visions. They are skilled at doing more with less and at attracting resources from

others. They use scarce resources efficiently, and they leverage their limited resources by drawing in partners and collaborating with others. They explore all resource options, from pure philanthropy to the commercial methods of the business sector. They are not bound by sector norms or traditions. They develop resource strategies that are likely to support and reinforce their social missions. They take calculated risks and manage the downside, so as to reduce the harm that will result from failure. They understand the risk tolerances of their stakeholders and use this to spread the risk to those who are better prepared to accept it.

- ***Exhibiting a heightened sense of accountability to the constituencies served:*** Because market discipline does not automatically weed out inefficient or ineffective social ventures, social entrepreneurs take steps to assure they are creating value. This means that they seek a sound understanding of the constituencies they are serving. They make sure they have correctly assessed the needs and values of the people they intend to serve and the communities in which they operate. In some cases, this requires close connections with those communities. They understand the expectations and values of their “investors,” including anyone who invests money, time, and/or expertise to help them. They seek to provide real social improvements to their beneficiaries and their communities, as well as attractive (social and/or financial) return to their investors. Creating a fit between investor values and community needs is an important part of the challenge. When feasible, social entrepreneurs create market-like feedback mechanisms to reinforce this accountability. They assess their progress in terms of social, financial, and managerial outcomes, not simply in terms of their size, outputs, or processes. They use this information to make course corrections as needed.

Cho (2006) however, pointed out two problems associated with Dess (2001) definition: first, that they are tautological, and second, that they are monological. Initially, most definitions of social entrepreneurship clarify the components of ‘entrepreneurship’ but leave the ‘social’ aspect undefined, a surprising lapse given that the social dimension of social entrepreneurship is, in large part, responsible for the concept’s inherent complexity. Second, the definitions tend to emphasize a monological approach to the definition and pursuit of putatively ‘social’ ends. Entrepreneurs have a vision for social change and mobilize resources to pursue this vision; they are ambitious, independent, and focused on achieving ends. While this vision may come from deliberative processes, entrepreneurship nevertheless takes a subject-centered approach to engaging with the world, from the individual articulation of a ‘social’ vision to the autonomous execution of projects and programs. This ‘monological’ approach may neglect competing visions and supplant important political processes of dialogue, negotiation, and social integration. Many definitions of social entrepreneurship, then, seem inadequate to deal with the central theoretical and normative issues that arise from the concept’s juxtaposition of ‘social’ objectives and the instruments of private enterprise, Cho (2006) argued.

#### *2.4. The Key Attributes of Social Entrepreneurs*

Some of the characteristics of entrepreneurs as outlined in the literature are attitudes, motivations, capabilities, skills, perspectives, behaviors and origins (Dees and Hass, 1999). It would be logical to do the same for social entrepreneurs, and some incipient efforts along this line have occurred in the literature. Mair et al (2006) observed that social entrepreneurs are one species in the genus entrepreneur. They are entrepreneurs with a social mission.

However, because of this mission, they face some distinctive challenges and any definition ought to reflect this. For social entrepreneurs, the social mission is explicit and central. This obviously affects how social entrepreneurs perceive and assess opportunities. Mission-related impact becomes the central criterion, not wealth creation.

Distinguishing between social entrepreneurs and business entrepreneurs, Dees and Hass (1999) argued that wealth is just a means to an end for social entrepreneurs. With business entrepreneurs, wealth creation is a way of measuring value creation. This is because business entrepreneurs are subject to market discipline, which determines in large part whether they are creating value. If they do not shift resources to more economically productive uses, they tend to be driven out of business.

Markets are not perfect, but over the long haul, social entrepreneurs work reasonably well as a test of private value creation, specifically the creation of value for customers who are willing and able to pay (Dees and Hass). An entrepreneur’s ability to attract resources (capital, labor, equipment, etc.) in a competitive marketplace is a reasonably good indication that the venture represents a more productive use of these resources than the alternatives it is competing against. The logic is simple. According to Johnson (2000) social entrepreneurs who can pay the most for resources are typically the ones who can put the resources to higher valued uses, as determined in the marketplace. Markets do not work as well for social entrepreneurs. In particular, markets do not do a good job of valuing social improvements, public goods and harms, and benefits for people who cannot afford to pay. These elements are often essential to social entrepreneurship. That is what makes it social entrepreneurship.

The reasons behind the popularity of social entrepreneurship are many. On the most basic level, there’s something inherently interesting and appealing about social entrepreneurs and the stories of why and how they do what they do. People are attracted to social entrepreneurs like Nobel Peace Prize laureate Muhammad Yunus for many of the same reasons that they find business entrepreneurs like Steve Jobs so compelling – these extraordinary people come up with brilliant ideas and against all the odds succeed at creating new products and services that dramatically improve people’s lives (Martin and Osberg, 2007).

In relation to studies examining the hospitality and tourism industries there are several articles on corporate social responsibility. Holcomb, Upchurch and Okumus (2007) revealed that eight (8) out of the top ten (10) hotel companies reported socially responsible activities relating to some form of charitable donation. The authors also noted that hotel corporations reported on five major areas:

community, environment, marketplace, vision and values, and workforce. Of the major hotel companies, Hilton Hotels Corporation, Marriott and Accor had the highest frequency of CSR reporting.

Bohanowicz and Zientra (2008a) examined the contribution of hotel companies' impacts on employee well-being and also on local communities. One of the conclusions of the study was that CSR-driven projects can enable hotel companies to assist local communities as well as to cope with human resource management-related problems. Direct ways that hospitality companies can benefit local communities include donating unwanted linen, furniture and food to local charity organizations, serving food to various youth and parent organizations, coaching youths and offering entertainment facilities for the immediate communities. Wider aspects of CSR include focusing on free trade products and adopting environmental initiatives that may improve the quality of life of workers down the supply chain, and reduce the hotel's impact on the environment. (Bohdanowicz and Zientra, 2008). The same authors also undertook an in-depth analysis of the Scandinavian Hotel Chain Scandic's CSR practices and found that the hotels projects have been beneficial to many needy people (Bohdanowicz and Zientra, 2008).

### 2.5. An Overview of Hospitality Industry in Ghana

Hospitality services in Ghana are categorized under the tourism industry. Over the past four decades the tourism industry has been principally managed and controlled by Ghana Tourist Board (GTB) (Nimako and Mensah, 2013). The GTB came under the auspices of the ministry of tourism in 1993. In 2011, the parliament of Ghana passed the Tourism law (2011) Act 817, which transformed the Ghana Tourist Board into Ghana Tourism Authority ([www.ghana.gov.gh](http://www.ghana.gov.gh)). This was to give more meaning to tourism infrastructural development in the country. The tourism industry has been a major source of foreign exchange with its contribution of 7% to GDP ([www.ghana.gov.gh](http://www.ghana.gov.gh)). The average growth rate of the industry is estimated at 4.1% over the next two decades (Ghana Investment Promotion Center, 2010).

The tourism industry in Ghana includes services that are rendered by hotels, motels, resorts, restaurants, places of tourist attraction, among others (<http://www.ghanahotelassociation.com>). Over the past two decades, there has been rising demand for hotels and restaurants services in Ghana as more and more visitors are attracted to the country through tourism, business and educational exchange programmes, invitation and exploration for foreign investment opportunity, especially in the wake of the oil find in Ghana (Nimako and Mensah, 2013). As a result of these trends, there has been influx of many foreign and local investments into hotel and restaurant services resulting in the establishing of many more hotels across the country. According to Bokpin and Nyarko (2009), in terms of governance structure of the hospitality industry, 60% of the 3-star hotels are wholly owned Ghanaian companies, 20% are joint ownership with majority Ghanaian shareholding and other 20% are joint ownership with majority foreign shareholding. Bokpin and Nyarko (2009) also observed that for 40% of 4-star hotels the companies are joint ownership with majority foreign shareholding and 40% of the other types of hotels are jointly owned with majority Ghanaian shareholding. The further added that there were no 3 or 4 star hotels wholly owned by Ghanaian companies within the hospitality industry (Bokpin and Nyarko, 2009).

The Ghana hotels association is one key organization that championed the course of hotel operators in Ghana. The Ghana hotels association promotes and regulates the operations of members to ensure effective delivery of hotel services to clients and customers. Membership of the Ghana hotels association is made up of hotels, motels and guest houses that have been certified and licensed by the Ghana Tourist Board to offer accommodation, catering and other tourism services in Ghana. The Ghana hotels association has over 1000 registered members, out of which 817 are hotels only as of June 2014 (<http://www.ghanahotelassociation.com>). The distribution of hotels according to regions in Ghana is presented in Table 1.

Region	Number	(%)
Greater Accra	390	47.74
Central	73	8.94
Eastern	80	9.79
Brong Ahafo	43	5.26
Upper East	43	5.26
Ashanti	61	7.47
Volta	46	5.63
Western	40	4.90
Northern	33	4.04
Upper West	8	0.98
Total	817	100

Table 1: Distribution of registered hotels in Ghana

Ghana Hotels association (2014) Retrieved from: (<http://www.ghanahotelassociation.com/content/view/29>)

### 3. Methods

Qualitative research approach was used in this study as a strategy for going beneath the surface of the subject matter of establishing the details of social entrepreneurship in the hospitality sector in Ghana. This is an exploratory study, since little research exists on social entrepreneurship in the hospitality sector in Ghana. In a situation where little is known about a particular subject matter, Brikci and Green (2007) suggested that researchers should start with qualitative methods (interviews, focus groups, etc). Brikci and Green

(2007) further argued that qualitative research is characterized by its aims, which relate to understanding some aspect of social life, and its methods which (in general) generate words, rather than numbers, as data for analysis.

Thus, by considering this research as “exploratory”, face to face, in depth interviews were believed to be the most suitable method for this study. Similar to convenience sampling procedures, professional and personal networks were used to obtain the names of possible interviewees in the hospitality sector in Ghana. After a short correspondence period with the potential list, the interviewees were carefully selected considering their interest and knowledge about the topic. Interviewees in this case are thought to be key informants and content experts hence direct personal communications with them were assumed to contribute to a better understanding of the social entrepreneurship concept. Twenty (20) members within the sector, (two participants each from the ten regions of Ghana) who were identified as hotel owners and are social entrepreneurs were selected for the interviews.

Interview sessions were conducted with them and each interview session lasted approximately one hour. The interviews took place in a quiet and casual setting and both researchers were present at each session. A list of questions was sent to the interviewees in advance via e-mail. Themes from the literature relating to social entrepreneurship were incorporated into a semi-structured interview. Most of the questions addressed during the interviews were developed to scrutinize the importance of the social entrepreneurship topic in the hospitality industry including: (i) number and types of the social entrepreneurship projects initiated, (ii) potential benefits derived from those projects, (ii) motivations to get involved in those projects, (iii) challenges encountered during those times and (iii) other comments and opinions regarding the topic.

Notes were taken during the interviews and all the communications were audio recorded with the consent of the interviewees. The personal notes and recordings were considered important to obtain a valid and reliable evaluation of the interview sessions and also in reporting of the findings. This could be seen, for example, in relation with the closing part of the interview sessions where spontaneous dialogues between the interviewers and interviewees took place regarding the topic; which provided valuable information on newly generated ideas and individual expert opinions about the topic. The content of the data from the audio recordings and the supplemental notes assisted in the preparation of the verbatim transcriptions. The content obtained through the transcriptions was then analyzed using content analysis method, cross validated and interpreted individually in preparing the composite analysis to report the findings of this study. This process assisted in the accurate reporting of the findings.

#### 4. Results

The interviews conducted with all the twenty (20) hotel owners revealed that the interviewees have been involved in identifying and implementing social entrepreneurship projects for more than four years. As Horsburgh (2003) mentioned the common practice of reporting the findings of qualitative research in categories and the common points addressed by the interviewees were identified from the composite analysis and then divided into themes. As a result of this process four main categories emerged at the end of the interview sessions. These categories are discussed as follows:

##### 4.1. *The types of social entrepreneurship Projects initiated*

The data gathered during the interviews revealed that all the social entrepreneurs have embarked on socially driven projects which have improved the lives of their communities and the nation at large. Nine out of the twenty interviewees stated with pride that they funded the building of a police post in their locality to ensure the security of their local communities. The presence of the police post has curbed arm robbery and violent activities in the communities. Eighteen interviewees said they have single-handedly built and donated classroom blocks for school children in their communities, while four of the interviewees added that they contributed generously towards the building and equipping of computer centers in their communities. All the interviewees gave examples of sponsoring the education of over twenty students from basic level to the tertiary level. One of the social entrepreneurs expressed with joy that:

*I can boldly say that I have looked after about fifteen people in my community, paid their school fees from the primary school level to the university. All of them are gainfully employed and their living conditions have changed. I think I have contributed my quota to the development of my community and nation.*

Explaining further some of the projects that these entrepreneurs have initiated to solve societal problems, eleven of the respondents said they have adopted admission wards in the hospitals in their regions. Out of the 11 wards adopted, 7 children wards and 4 obstetrics and gynecological wards have been renovated and regularly maintained by these social entrepreneurs. These projects have significantly improved healthcare delivery in the respective regions of the social entrepreneurs. To buttress his point one of the social entrepreneurs put it this way:

*When my niece delivered and I went to visit her at the obstetrics (lying) ward in the Regional hospital, the whole place was stinking, the mosquito nets were torn and because there were only few beds she and about six other mothers were lying on the floor with their new born babies. I therefore adopted the ward, renovated it, furnished it with more beds so that mothers could feel comfortable and recover very fast after delivery.*

All of the social entrepreneurs interviewed revealed that they freely offer themselves as resource persons at symposiums and workshops on innovation and business development that are organized by schools, churches, organizations and associations.

According to the interviewees these programs have proved to be very beneficial to the community and people of Ghana in general, since it encourages and inspires people to start their own businesses.

Another significant contribution comes in the area of the sponsorship of educative programs. All the interviewees stated that they offer free hotel accommodation to the participants and organizers whenever they request to have for example workshops or awareness campaign on social issues like HIV/AIDS and drug abuse. It was also revealed that the interviewees offer their hotels as practical training facilities for hospitality students from vocational and polytechnic institutions. The hospitality students are given opportunities to acquire free practical skills and knowledge from the hotels. Donating cash and food items to orphanages, local charities and assisting people in need were additional areas mentioned by all the interviewees.

#### 4.2. Motivational Reasons

The results from all the interviews conducted indicate that intrinsic motivations of the social entrepreneurs were pointed out as an important factor for engaging in various projects to meet the needs of society and to improve the living conditions in their communities. The need to be personally fulfilled by assisting people in need and contributing to the development of their communities and nation at large was one of the intrinsic motivational reasons cited by the respondents. According to the respondents, they derive personal satisfaction, pride and great joy from successfully helping to sponsor the education of the needy as well as providing food and clothing for orphanages.

One of the respondents expressed this self-fulfillment in these words:

*In fact, I am very proud of myself for building a library and stocking it with books for my community. Anytime I drive by the library and I see people using the facility I become so glad that I have at least inculcated the habit of reading in the community*

Coughlin (2002) in her study also found that the most interesting of all the motivators for social entrepreneurs is personal fulfillment. Another notable motivational reason revealed from the interviews was community involvement or patronage of their services. The interviewees said that they were motivated to embark on developmental projects in their communities in appreciation for the patronage of their services.

#### 4.3. The Return Benefits of Social Entrepreneurship Projects to the Entrepreneurs

It was clear from the interviews conducted with the social entrepreneurs (the 20 hotel owners) that they derive financial and non-financial benefits from the social entrepreneurship projects they embark on in their communities. In terms of financial returns, 17 out of 20 interviewees pointed out that they have had continuous businesses from the community since they have started undertaking projects in the community. According to the interviewees most of their clients admire their contributions to their communities and nation at large, so they patronize their services more and also recommend their services to others, which in return help the organization to make more profit. In addition, three out of the four interviewees pointed out the financial benefits of Social Entrepreneurship to hospitality organizations.

As for the non-financial returns, the rich qualitative data revealed that their social entrepreneurship activities have enabled them to acquire a socially responsible image. Good image or “good will” to the interviewees is an important factor in developing a successful business. Interestingly, Ergul and Johnson (2011) also identified these financial and non-financial factors as benefits for social entrepreneurs in the hospitality industry.

#### 4.4. The challenges encountered

The challenges that the social entrepreneurs encounter while they embark of their social projects were explored. The interviews revealed that some of the real and perceived costs of implementing social entrepreneurship projects were that the projects were seen to be an “expensive to do”. The interviewees explained further that some of the projects such as the building of the school blocks and payments of school fees could sometime prove difficult to implement during economic downturn. The cost of selecting and retaining the right stakeholders, increased time and material costs were mentioned by the interviewees. Difficulties in allocating budgets for social entrepreneurship projects were also highly reported by the interviewees.

One of the interviewees complained that:

*Sometimes business is bad, the economy is deteriorating, there is no money, our profit margin is declining every day. It is therefore difficult to undertake such projects to address the needs in society, especially the capital intensive one.*

Some of the interviewees (11 out of 20 interviewees) complained that it takes a very long time for some communities to decide on the specific projects they want the social entrepreneurs to undertake. The interviewees however revealed that they sometimes involve the communities in choosing the projects- especially the infrastructural projects and their locations. But the delay in decision making to a large extent kills their initiative and zeal to undertake such projects.

### 5. Conclusion

This was a preliminary study that was intended to give a glimpse of developments in social entrepreneurship within the hospitality sector in a developing country context. The study provided further insights for later, more comprehensive and detailed studies. The results were encouraging, as the interviewees confirmed several of the themes identified in the literature review.

Significantly, the social entrepreneurs in the hospitality sector were found to be involved in applying the principles of social entrepreneurship by initiating many projects ranging from infrastructural development, educational sponsorship, providing for the needy and healthcare. Thus, these entrepreneurs are providing innovative solutions to managing complex pressing social problems: from community development to social exclusion and poverty reduction. These entrepreneurs (hotel owners) interviewed could be said to be social entrepreneurs because the rich qualitative data gathered reveals that they are involved in identifying, addressing and solving societal problems.

The result of the study is heartening given the fact that the hospitality and tourism industries often labor under negative publicity relating to the image of the industries, including tough working conditions, low pay and high labor turnover (Ergul and Johnson, 2011). It would seem that the hospitality sector has many natural attributes for social entrepreneurship that may be extended. These attributes include high numbers of small and medium sized enterprise, core services of lodging, food and beverage that are highly valued by society, along with increasing peripheral services that may also be leveraged into social entrepreneurship projects.

## 6. Limitations and Future Implications

Interviewees addressed broad areas and contributed to the theoretical debate in the social entrepreneurship literature, particularly in developing country context. However, being an exploratory study, the study was limited in size and scope by the number of the respondents, the representation from the different segments of the hospitality industry and the generalizability of the results.

Nevertheless, based on the comments from the interviews, the awareness of social entrepreneurship examples in the hospitality sector should be increased. The following measures are recommended: organizing conferences and workshops, creating e-newsletters, adding social entrepreneurship to current hospitality management curriculums, building strong collaborations and partnerships between the industry and the academia, and international investigation of social entrepreneurship including partners in developed countries to conduct multifaceted research.

The findings of this study could serve as a framework in developing a more detailed research instrument. Such an instrument may provide more detailed results in social entrepreneurship research. This may help the concept to gain wider recognition to inspire more entrepreneurs regardless of the industry in which they operate to identify effective methods of solving societal problems.

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