How to become a resilient community with the help of SEs and NPOs

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Abstract

Social enterprises and non-profit organisations are seen as beneficial for sustainable urban development in African mega-cities. How exactly they contribute to the communities they operate in by providing social services or by promoting participation and integration, is, however, not fully understood. Aiming for a better understanding, we conducted qualitative case studies of four different social enterprises/non-profit organisations active in Soweto, Johannesburg. Each case study comprises interviews with different stakeholders and internal and/or published documents. Analysis and interpretation were inspired by Grounded Theory methodology and undertaken first on case, then on a cross-case level. Our findings show the importance of organizational resilience as a precondition and enabler for community resilience. We highlight six themes of relevance for both organisational and community resilience, that shed light on the kind of contribution social enterprises and non-profit organisations can make to local community development.

Keywords: South Africa; community resilience; social enterprises; non-profit organisations; organisational resilience; case studies

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Introduction

In the contexts of African megacities, social enterprises (SEs) and non-profit organisations (NPOs) are of great interest if considered as providers of social services and vehicles for participation and integration: As such, they can contribute to community resilience. Following a qualitative paradigm, the analysis of four different SEs/NPOs focuses on the philosophy as practiced rather than explain business model or look at economic data. The purpose of the study is to understand in more depth how SEs and NPOs contribute to or even invoke resilience within urban areas. There is ample evidence in the literature that they do so by maintaining and furthering community ties.

The study focuses on Johannesburg, South Africa, particularly the neighborhoods of Soweto and Diepsloot, which have experienced rapid urbanization over the past two decades. As of 2021, Gauteng's population is approximately 15.8 million, with many residents living in townships and informal settlements. This dense population has led to significant socioeconomic challenges, including limited access to services, education, and employment. In response to these challenges, various social entrepreneurs (SEs) have emerged, finding innovative ways to generate income while addressing social issues. Historically, SEs played a crucial role in resisting apartheid and have since contributed to community development, especially in the context of ongoing poverty, inequality, and unemployment. The South African government recognizes that it cannot tackle these issues alone and has encouraged active citizenship to help address these challenges (Baron et al., 2023)

Research has been done on the role of SE/NPO on community resilience globally, however in South Africa SE/NPO role is still fragmented and at its infancy, most importantly SE/NPO's organizational resilience and its contribution to wider community resilience. Therefore the current research sought to close this gap and gain a deeper understanding of what organisational features assist SEs and NPOs in achieving organizational resilience and contributing to wider community resilience and the challenges encountered by these SE/NPOs

Literature review

Urban communities in megacities like the City of Johannesburg face a variety of challenges arising from climate change, migration, globalization, and digitalization, which significantly impact day-to-day urban governance. Resilience in this urban communities, particularly in socio-economically challenged areas like Soweto, South Africa, can be significantly enhanced through the concerted efforts of SEs and NPOs. These organizations serve as vital pillars in the community, offering essential services and fostering an environment conducive to both individual and collective empowerment. The concept of resilience has been defined as "the capacity to cope with unanticipated dangers after they have become manifest, learning to bounce back" (Wildavsky 1991, p. 77), while urban resilience refers to "a holistic capacity of the urban social-ecological system that is contributed to by different coupled subsystems in a city" (Wang et al., 2018, pp. 141-142). The ecological and social resilience is vital in sustaining urban communities since ecosystems and people are integrated creating a dependence on ecosystems of communities and their economic activities (Wang et al., 2018; Adger, 2000).

The concept of SE has gained traction as a means for non-profits to fund their social missions and drive social change initiatives (Smith et al., 2012). SEs have emerged as drivers of community development in various regions, including South Africa (Kajiita, 2022). These organizations contribute to economic growth, prosperity, community empowerment, poverty alleviation, and inclusive socio-economic development (Littlewood & Holt 2018; Kajiita & Kang'ethe, 2024; Kajiita, 2022). NPOs also play a crucial role in community development by providing essential services, support structures, and educational programs that contribute to community resilience (Pamacheche & Chuchu, 2016; Skovdal, 2012).

Evaluating the resilience of megacities and identifying influencing factors is crucial for enhancing their adaptive capacities in the face of various challenges, including economic shifts and environmental pressures (Wang et al., 2023). Studies show that communities that are resilient to external challenges, innovative, and adaptive are recognized as "vital communities" (Dale Ling, & Newman (2010); Samanta & Chattopadhyay (2022). This is because community resilience provides preparedness against hazards, protection against risks, and the ability to recover to stable living conditions (Nguyễn & Akerkar, 2020).

The literature highlights various factors contributing to community resilience involving social, economic, and institutional dimensions as discussed. The concept of social capital has been identified as a key factor in strengthening the resilience of micro-enterprises and communities (Prasad et al., 2014). Building social capital through collaborative networks, trust, and shared resources can enhance the adaptive capacities of communities and contribute to their overall resilience (Prasad et al., 2014) Research has shown that the hybrid organizing of formal structures and informal networks within organizations significantly contributes to both organizational and community resilience (Kim et al., 2022).

The concept of community embeddedness is central to the effectiveness of SEs and NPOs. Community embeddedness allows SEs and NPOs to create social networks that are essential for adapting strategies to meet evolving community needs, thereby contributing to overall community resilience (Singh et al., 2020). Research by Seelos et al. (2010) emphasizes that community embeddedness enables SEs to establish trust and mutually beneficial relationships, fostering resilience within organizations and communities. This trust and cooperation are instrumental in adapting strategies to address community needs effectively (Singh et al., 2020).

Skills training is another critical factor in building resilience within communities Research by Bvuma & Marnewick (2020) and Myres et al. (2022) highlights the significance of skills training in empowering individuals to enhance their socio-economic status and bolster community resilience. By providing individuals with valuable skills, SEs and NPOs enable them to tackle challenges, boost their employability, and positively influence the community's overall resilience (Corbière & Lecomte, 2009).

Collaborative partnerships play a vital role in enhancing the effectiveness and sustainability of SEs and NPOs by providing access to valuable resources, information, and support. These partnerships contribute to the resilience of social entrepreneurs and organizations, enabling them to navigate challenges and achieve their social objectives effectively (Xing et al., 2018. By leveraging collaborative networks and partnerships, social entrepreneurs can drive sustainable solutions, enhance community empowerment, and contribute to social welfare development (Singgalen et al., 2022; Pradinasari, 2023). Social enterprises increasingly rely on collaborations to address resource constraints and enhance their impact within communities (Kwong et al., 2017).

Diversifying income sources is essential for the financial sustainability of SEs and NPOs, allowing them to more effectively contribute to community resilience. Successful

diversification strategies not only strengthen the financial position of SEs and NPOs but also enhance their impact within the community. By expanding income sources, organizations can better adapt to challenges, support their missions, and contribute to the overall resilience of the communities they serve (Jenner, 2016; Rahman, 2014).

In conclusion, urban communities, especially in socio-economically challenged areas like Soweto, rely heavily on the contributions of SEs and NPOs to build and maintain resilience. Given their critical role in community empowerment and resilience, it is essential to further examine how SEs and NPOs operate and contribute to community resilience. Understanding these dynamics can provide valuable insights into how these organizations can be supported and scaled to enhance their impact, ultimately leading to stronger, more resilient communities.

Methodology

Adding an organizational perspective to the RUC project, WP 8 follows an exclusively qualitative approach based on the constructivist paradigm, as social constructivism permits knowledge to develop as a result of the recognition of numerous realities under constant formation (Thietart, 2001, p. 24 & p. 113). This is a good fit with the research aims and permits us to provide first-hand experience for how SEs and NPOs in African megacities contribute to resilience.

While we are cognizant of the body of literature developing on the organizational resilience of SEs/NPOs, the relevant studies primarily point out auxiliary functions, and do not explore the link between organizational resilience and community resilience, as in this study (Apostolopoulos, Newberry, & Gkartzios, 2018; Littlewood & Holt, 2017; Shepherd & Williams, 2023).

Our research design aimed at a fundamental understanding of the most salient constructions by different stakeholders for each organisation as to how it achieves organisational resilience, which will be shown to be a prerequisite of contributions to community resilience, or even directly related to community resilience. As community resilience might or might not result from local embeddedness, the research sampling purposely included both, organizations founded from within the community and others, which were not, but even hailed from a different cultural background, i.o.w. are not exclusively "black African". Applying the constructivist paradigm to the research interest of this work package strongly suggested an

inductive approach of analysis and interpretation to start off with, possibly followed by deduction for the individual case interpretation and characterization and an abductive approach to a cross-case analysis.

It also led to a choice of narrative interviewing with little interference on the part of interviewers so as to minimise interferences with the relevance setting by interviewees (Carless & Douglas, 2017; Clandinin & Connelly, 2000).

Grounded Theory

A grounded theory method was employed for this research. The grounded theory method requires a process of comparing empirical indicators from the collected data, on either a primary level, such as those gathered from interviews (in this case from interviews with representatives of different stakeholder groups from the same organisation), or a secondary level, such as those obtained from documents (Schwandt, 2007).

In the style of grounded theory (Glaser, 1999; Strauss & Corbin, 1997) and narrative research (Carless & Douglas, 2017; Clandinin & Connelly, 2000), a research design was developed that would well support the shaping of locally acceptable arrangements rather than following a design that would start with predominantly international literature, and result in the development of research tools that would attempt to coerce the data gathered into accepted formats (Strauss & Corbin, 1997).

Sampling

Our research consisted of a qualitative case study approach in organisational research, forming an in-depth analysis of four mature SEs/NPOs operating in deficient ecosystems. They were purposefully chosen because they had been in existence for more than five years (founded 1998 (SoS and HR), 2012 (SG), 2016 (PiF) respectively) as well as on account of coming from different sectors and operating through diverse business models, thus one each being active in labour market integration in gardening and parks maintenance, labour market integration in the textile industry, social counseling and awareness building, and provision of good quality, affordable healthcare. These four cases also differed in legal form and size.

For each organization interviews were conducted with the CEO first. This then indicated the next stakeholder to be interviewed and so on, in an iterative manner, until saturation was reached, i.o.w. no additional facets were to be found. In the end, narrative interviews were conducted with the CEO, founder(s), manager(s), Board member(s), employee(s), volunteer(s) and community member(s) of each organization plus selected external stakeholders which each organization identified to have been most critical for organizational resilience.

Data Collection

All in all, 22 interviews were conducted.

The research data was obtained within a multifaceted network of interconnected relationships and "we construct(ed) research processes and products, but these constructions occur(ed) under pre-existing conditions, arose in emergent situations, and were influenced by the researcher's perspectives, privileges, positions, interactions and geographical locations" (Charmaz, 2014, p. 240).

In this study, the data was collected through narrative/open interviews initiated with a prompt common to all interviews and agreed upon by the research team before two test interviews were conducted. The researchers only asked few immanent questions during the narration and a limited number of exmanent questions after the natural flow of narration had ended. Before, during and after each interview, the research team engaged in observation within the organisation. Before and after each interview, the research team individually memo'd their thoughts and experiences. The interviews and memos were then transcribed and corrected. Secondary documents were obtained from the organisations and from public sources. Thereafter, a process of coding was undertaken. The organisational names were pseudonymized, and those of the interviewees' data anonymised by means of roles (CEO, founder, manager, Board member, employee, volunteer, community member) to protect the confidentiality of the individuals and organisations studied. If more than one person of a stakeholder group gave answers these were numbered. As in three of the four organisations the staff interviewed also represented community members, there is an overlap of roles here.

Data Analysis

The interview material obtained was analysed ethnographically. This was augmented by document analysis and participatory observation. Secondary data analysis involved an examination of both data from the organisations as well as from government agencies and public third-party data (for a methodological reasoning see Mazhar et al., 2021 and Harvey, 2015). Finally, an element of action research was also introduced. Action research holds that complex social phenomena are comprehended best when interventions into said phenomena are made and observed (Baum, MacDougall, & Smith, 2006). This validates the study findings, is a form of member checking (Harvey, 2015), and also connects research and practice (Baum et al., 2006).

Findings

The study explores the role of social enterprises and non-profit organisations in contributing to the community resilience. Through a reflexive sense making process (Littlewood and Holt, 2015) the current study identified six overarching themes that have shown to be of high relevance in all cases, with particular focus on cross case analysis that includes identifying commonalities and differences between the cases and then gradually sharpened to organisational resilience, on the one hand, and the organisations contribution to community resilience on the other hand. Meaning, the research demonstrates a direct link between organizational resilience and community resilience.

Findings are structured according to emergent overarching themes which shed light on the kind of contribution social enterprises and non-profit organisations can make to local community resilience.

Social ties and embeddedness within community

The research findings indicate a strong social ties and community embeddedness, a total immersion in the communities where organisations are operating through focusing their services in the community in which they are geographically situated. That means most of their goods/services are being distributed in the location around them. SoS, SG, and PiF focus their goods/services in Johannesburg and more concentrated in the geographic location in which they are situated. The community embeddedness can also be witnessed in their local sourcing of skills and collaboration partners. This is in agreement with what literature says about a community in terms of geographical location which refers to a social unit that shares a common geographic location such as a village or township and is defined by a physical and

social boundary. The research clearly showed social connections and relationships based on their physical proximity to each other (Bradshaw, 2008; Maré & Poland, 2005; Schultz, 2014).

The other form of community displayed in the research is strong social ties or community of interest, which refers to people who share the same interests or experience or identity. SoS focuses on female clients who have experienced or are experiencing GBV, an experience shared by staff and volunteers either personally or through friends and family. Smilarly, PiF is an organisation run primarily by women and focuses on (single) mothers, aiming to enable better parenting and community life through female empowerment (both economically and psychologically). Literature indicates that a community in terms of same interest refers to individuals who share the common interests, experiences, passion, or topic of interest while forming a cohesive group around their common interest or experience (Bradshaw, 2008).

In an attempt to have a deeper understanding of the different forms and shape the strong social ties and community embeddedness, either through physical proximity or common interest communities. The research show that rather than merely being active or engaged with target groups of clients within certain proximities, a variety of important factors that directly link organizational and community resilience are required in ensuring a genuine relationship or strong social ties and embeddedness with communities.

Community-centered social conscience

Research findings revealed that these organization are community-centred and driven by social conscience of primarily wanting to have a positive impact within their communities, meaning all activities are aligned with the organisation's conscience of solving a particular social problem. For example, SoS is truly focused on eradication of all forms of Gender-Based Violence and promoting empowerment and respect for women, while also encouraging their participation in the community.

Employment creation

The organisations in this research recruit from the communities they operate in. For example, the mission statements of PiF and SG are centrally related to employment creation, and evidence does show that they have created a significant amount of employment for the communities around them. Sector logic and professional demands seem to matter in this regard. This is evidenced by HR which recruits professional personnel from the community

wherever possible, but also brings in employees from outside the community as it has scaled up a great deal and operates internationally. The other case is SoS, where professionalism and volunteerism need to be balanced to achieve social objectives.

Organisations create secondary employment effects as well by giving skills training to community members beyond their staff, encouraging staff to pass on their knowledge outside the organisation and giving their staff a choice whether they want to be employed by the organisation or become self-employed (PiF). This typically seems to be the case in more crafty or manual areas of production.

Relationship building

The organisations interrelate in the community through building various relationships with other local residents and community agents. The relationships are created through regular mutual exchange of information and views between them and the NPOs/SEs either through meetings or informal discussions. Apart from engaging with client communities all four cases also engage with community leaders like political ward counsellors who are elected representatives of the communities, indunas, and other community-based organisations such as the taxi association. Client communities have been engaged in meetings and trainings so that they get to understand the mission of the organisations for example in the case of SoS where the communities were also engaged on co-opting men into issues related to GBV. PiF has continuous informal meetings with (former) staff from communities', and school employees as well as a local councillor to exchange information on client's employment and the community's product needs.

In general, these relationship building activities are seen by interviewees to have resulted in improved transparency, credibility, trust and legitimacy growing within the community, which in turn they see as important pre-conditions for organisational flexibility and resilience, especially where it enables non-monetary reciprocity (e.g. for borrowing money and sharing tools, SG), engaging volunteers (SoS) and but also in terms of community resilience. Extant research maintains that developing strong networks and relationships facilitates the development of both organisational and community resilience (Littlewood & Holt, 2017).

Involvement of the community in governance issues

To involve community members in one way or the other formally in the organisation's governance is an even more advanced step in the direction of community embeddedness. Three cases in our research have at least one or several board members who hail from the community. For SG, which is a cooperative, the board members are actually equal in number to the founding members, with three of them being kin, while the other two also stem from the community. For SoS all the board members are also community members, while HR in addition to one space on the Board for a community member has also installed a Community Advisory Board. This has helped the organisations in their plans to diversify, as they better understand the needs and expectations of the community they operate in.

According to the literature, community embeddedness refers to the integration of social enterprises and non-profit organisations in the communities within which they operate. Such embeddedness allows them to effectively achieve their social goals according to their missions (Corrêa et al., 2022; Seelos et al., 2010). Through community embeddedness, social entrepreneurs get a competitive advantage as community integration allows them to align with the specific needs of the communities (Jack & Anderson, 2002). Community embeddedness allows SEs to create social networks which in turn lead to trust and mutually beneficial relationships between the organisation and the community (Seelos et al., 2010). An organisation that is embedded in the community shapes its mechanisms and policies in a way that effectively resolves community challenges through enhanced cooperation thereby contributing to organisational and community resilience (Czernek-Marszałek, 2020; Kummitha, 2017; Richter, 2019).

Empowerment and Skills Training

The case analysis unveils a broad range of common topics which were raised unanimously by all interview perspectives (CEOs, Board members, staff, volunteers and clients). These can be grouped into one dimension of "Empowerment and skills training", with empowerment to be understood as the growth of personal competencies while for the purpose of this analysis, skills are taken to mean functional capabilities. Both terms are seen to also include new knowledge. The following section looks at these facets in regard to the specific contribution to community resilience which SE's and NPO's efforts towards empowerment and skills training might have.

An emphasis on **skills training** is obvious in all four cases. Remembering that the employees of these organizations are part of the community. This is not so surprising in Soweto as part of the township environment, where unemployment is high and lack of educational facilities with possibilities to acquire skills very scarce (Bvuma & Marnewick, 2020; Myres et al., 2022). What is remarkable, however, is that all four organisations give clients full freedom to use their newly won skills and personal competencies not only by encouraging them to apply these to their work within the organisation, but also in order to seek employment elsewhere, start own enterprises and, most relevant in terms of contribution to community resilience, in the community.

From the interviews with volunteers, trainees and staff it becomes apparent that the (on-job-) training results in various forms of personal **empowerment**, with the growth of self-confidence being mentioned by virtually all. Board members and CEOs of all organisations underline that apart from creating household earnings this is their key contribution to community development. Interviewees from three of the organisations witness across the spectrum of their perspectives that staff is prepared to pass on competences and skills sets to wider circles in the community and to less experienced clients. In the fourth organisation the idea of empowerment is seen predominantly in relation to staff, thus from an inward-looking perspective. This employee-empowerment seems firmly implanted into the organisations core management philosophy: a flat hierarchy in the organisation, where spaces for democratic decision making, as well as a responsive leadership are paramount.

Two cases (PiF and SG) elaborate on their structured efforts in 'peer-to-peer on-the-job training'. These two engage in sectors and production processes which particularly lend themselves to peer-to-peer learning: their goods production relies on crafty, manual skills presenting relatively low barriers for learners. At least two of the four organisations markedly go beyond the mere acquisition of new functional skills sets and knowledge. CEOs and Board members from PiF and SoS specifically elaborate that conscious efforts are being made to assist clients in their personal empowerment and the recognition they get by the community as empowerment agents for their clients. Indeed, personal empowerment is important contributor to personal resilience and to thrive in the face of adversity (O' Leary & Ickovics, 1995), similarly community empowerment is indeed a contributor to community resilience.

One organisation has an explicit expectation of their clients and staff that they will share their new skills with less experienced community members, which it conveys in the 'paying it

forward principle'. This principle, though taken from a Hindu background, seems to find good resonance in Soweto communities. This can be taken as an example where a value proposition attached to a job can increase multiplier effects of training if not empowerment beyond clients and staff into the wider community. The second more crafty organisation (SG) is constantly challenged to balance skilled labour with learners with councillors making the selection among people eligible and rivalling for jobs. It is to be assumed that skills training here is spread among many, thus potentially equipping a maximum number of community members with skills that they can use in many more contexts.

Skills training and empowerment of staff and clients can cause multiplier effects in communities. Depending on the skills, these might become relevant in times when community resilience is particularly needed. Personal empowerment increases personal resilience, which in turn by way of socialisation and role models can have transgenerational or neighbourly effects as well. These effects will, however, depend on social acceptance and a certain degree of unanimity in values. Personal empowerment and personal resilience are seen as an important contributor to community resilience where community resilience is seen "as the capacity of a community to reorganize itself to steer away from disruption, chaos, and disorganization" (Matarrita-Cascante & Trejos, 2013, p. 1390).

Mission and Organisational Trajectory

Across all of the four cases, the evidence indicates a very strong, clear, and compelling social mission orientation. The social mission was the determining factor for starting, with the mission originating from the community. For example SoS, mission originated from the surrounding community, as the organisation was initiated by nurses who were noticing a need within the community for more broader GBV services, as opposed to only physical healthcare. Indeed, with SoS, the community continues to play a role in determining the organisational trajectory and the community were directly involved in transforming the organisation from a focus purely on women and children, so-called victims of GBV, to include men, the so-called perpetrators of such. In addition, the organisation's community embeddedness keeps SoS focused on their social mission and ensures values alignment across both the staff and volunteer group, as well as the board of directors, all of whom are drawn from the neighbouring community and many of whom have experienced, or otherwise feel very strongly about GBV. While PiF's social mission is derived from the religious and

cultural beliefs of the founder, and the guiding philosophy of 'paying it forward' as well as the dictum 'each one teaching one' has steered the organisation since its initiation. Similar to SG, PiF is also a family business that creates long term employment for family members, as well as a social enterprise that creates employment, work and income generation opportunities and economic self-confidence for community members, namely single mothers. It also enables the start-up of independent spin-offs. Similarly, HR's social mission originate from the healthcare worker community and linked to social transformation and a desire to change the health system as a whole from initiation. While the mission remains focused on the original aim, the organisation has grown massively to maintain alignment to the social purpose, essentially doing what Shepherd and Williams (2023) call "capitalizing resilience" (p. 34). In doing so, the social enterprise has become even more distant from the local community, yet still contributes to building community resilience through ensuring the delivery of quality health services within communities to the point of withdrawing where competitors successfully use the (quasi-)markets it created.

All four cases have social missions that were based either on a problem in the surrounding community, such as GBV or unemployment, or on a basic value driving an aspiration for the future, such as women supporting women or better quality healthcare becoming accessible. In addition, all four cases demonstrate passion and commitment to societal change through each organisation's respective social mission. The social mission is transmitted into organisational procedural means in the following ways, across the organisations: SoS have formalised an aptitude and attitude-based recruitment, starting with volunteers, who then become staff. This enables the organisation to assure that their impact corresponds to their mission by recruiting for values alignment. HR, too, on a different scale, has a developed human resources management process and policy, that begins with recruitment, but also includes formal induction, culture building, performance management and staff retention. This enables HR to ensure its mission and societal impact are aligned. Resilience means more than just recovering well from setbacks and challenges. It is also about holding a clear and meaningful vision of why one is doing what one is doing. One's social mission is one's purpose and is the driving force that keeps an organisation focused, inspired, and committed to the social mission (Littlewood & Holt, 2017).

All four cases had managed to survive for between seven and twenty-five years, and all interviewees from each of the organisations unanimously maintained that it was their social mission and purpose orientation that allowed them to survive many crises to keep delivering

to their beneficiaries. Linnenlueke (2017) conducted a review of resilience research within the business and management areas and found the following five central areas: (1) resilience as an organisational response to an external threat; (2) resilience as organisational reliability; (3) resilience through staff strengths; (4) resilience as business model adaptability; and (5) resilience through design by decreasing supply chain weaknesses and interruptions (Linnenlueke, 2017; Littlewood & Holt, 2017). The cases studied demonstrated organisational resilience in relation to all five areas, such as all the cases developing resilience in relation to the external threat of COVID-19, and all demonstrating resilience through community reliability; SoS and HR developing resilience through building staff strengths; PiF and HR building resilience through being able to adapt their business models; and SG and PiF building resilience through design. Finding meaning through shared values and a common belief in the mission, together with an ability to combine passion and mission with realism, therefore, proved to be key factors in driving both organisational and community resilience (Littlewood & Holt, 2017).

Diversification

There are ample indications of the importance many interviewees give to diversification in terms of the financial stability and sustainability of the organisation, thus for organisational resilience. Especially product diversification was mentioned in all cases. This kind of diversification refers to broadening the variety of products or services, in order to reach different customers as well as clients, leading to increased revenue. Product diversification presupposes innovation if not in regard to the product itself than with regard to the organisational modes of production which also might need the acquisition of additional skills and equipment. Research findings further indicates that Product or service diversification can also be as a reaction to crisis situations in the ecosystem, such as during COVID induced lock downs. For example, PiF had to find means to produce outdoors and in a case of SoS where they had to find new sources of finance when the Department did not pay salaries. Furthermore, in all four cases the diversification in product/service provision is closely linked to the overarching mission of creating positive impact within a community. Indeed, product or service diversification is driven by the desire to better accomplish the transformative mission. PiF product and service diversification was more driven by the wish to serve more clients, meaning give work to more mothers, rather than by the demand for the products. Thus, all the product diversification efforts made can well be seen as contributing to

community resilience as much as it does contribute to organisational resilience. It also improves the impact of the organisation in the community (Jha et al., 2021; Yan et al., 2023).

Since organisational resilience is a prerequisite for contributions to community resilience, a closer look at the motivations involved for product or service diversification is as a result of reaction to changing environment and demand. Among the cases under investigation, HR seems to have a great deal of capacity to react flexibly to **changing demand** across a wide spectrum of communities. While the three more locally based organisations product diversification seems to have been driven by the need to improve cash flow and changing perceptions of local demand. Similarly, SG diversification is driven from the **reduction of risks** particularly in liquidity, volumes, finances. The risk of relying on one single product for revenue generation seems to be high in its business model, where there is one dominant customer for the core product – horticultural and landscaping services. To include carpentry and tiling might serve as compensation for underperforming products (Jha et al., 2021), here the lack of volume of horticultural and landscaping work despite a "container"-contract with the Department. The same can be said for SoS, who diversified into educational, training and awareness-building services for customers other than the Department of Social Development in order to reduce financial risks.

Without wanting to ignore that SoS has also grown in size, HR and PiF are interesting cases showing particular propensity to **expand their markets**, another driving force behind diversification well recognised by literature (e.g. Tasavori et al., 2019). This might not be by chance. In the case of HR size is likely to affect the efficiency of the business model as well as render its transformative objectives more realistic. PiF has its product markets largely outside the community, but in this case, diversification seems to have been driven rather more by the demand for work from mothers with less sewing skills as well as a shortage of production space. So, it seems fair to say that diversification was driven by opportunity in the case of HR and more by "need" in the case of PiF.

Another type of diversification seems to play a big role in three of the organisations, namely conscious efforts to attract additional revenue from donations, subsidies or winning competitions. This is a **diversification of funding modes and sources** unrelated to sales. Through diversifying such revenue streams, SoS, PiF and SG managed to overcome challenges of donor dependency and varying sales volumes. These funds being used for training in the case of PiF or diversification of services and the accomplishment of the

transformative mission in the case of SoS. This diversification are likely to have contributed to organisational resilience and growth in both these cases while simultaneously contributing to community resilience and sustainability through reaching a larger percentage of the "target" population both, in terms of employment creation and clients benefitting from the services supplied by the organisation.

Scholars have reiterated, that having multiple sources of funds like government contracts and corporate tenders enable a business to avoid dependence on single revenue sources, thereby steadying their financial position (Cornforth, 2014; Frumkin & Keating, 2011; Yan et al., 2023). Although these scholars highly recommend diversification, it may lead to mission drift. If mission drift is not handled well, it may lead to organisational failure (Cornforth, 2014; Mikołajczak, 2019). Obviously all four organisations have been able to avoid this.

Collaboration

Research findings indicate collaboration as a key factor both in developing organisational resilience as a stand-alone and in developing community resilience, and the interaction between the two types of resilience. In this research collaboration is understood as working together with partners outside the immediate geographical or community of interest, to cocreate a new reality, and the cooperation between and relationships developed with governments, private sector donors, sponsors or project partners outside the immediate community.

Some of the cases co-create and collaborate more closely with clients and communities, as seen within their community embeddedness section above, whereas others collaborate more closely with other stakeholders. All four cases demonstrated a working relationship with local, provincial and national government, which resulted in co-creation, such as SoS relying on the provincial Department of Social Development to provide social worker salaries and viewing this relationship with government as both a source of organisational and community resilience. HR, which works closely with in local government facilities, capacitates local government staff and then hands services back to local government, as well as in joint responsive programme to crises, such as COVID-19. Similarly, PiF, enters the community via local schools and recruits clients and beneficiaries through the schools, which provide spaces for working, and access to markets, such as through the manufacture and sale of school uniforms. These collaborations are usually contractual relationships, not reciprocity ties. Indeed, collaboration is the means through which citizens, government agencies,

organisations, and businesses make official commitments, typically through contractual arrangements, to work collaboratively together (Aldrich & Meyer, 2015). "Local collaborative actions that bring together residents, government agencies and other stakeholders to design and implement interventions hold potential to raise community resilience through several channels" (Jensen & Ong, 2020, p. 1). These include expanding the community's understanding of the issue/s at hand so that they can individually make better decisions; aiding in the improvement of a common perception of a multifaceted and uncertain community difficulty; resulting in opportunities for community members to produce social capital, which assists communities in fighting shocks, recovering from disasters, and developing community resilience (Aldrich & Meyer, 2015; Jensen & Ong, 2020).

Lack of Reserves

The other important characteristic and feature that transpired as being common amongst the cases is the clear lack of surplus or unattached funds which can be **held in reserves**. This is in line with a study by Saungweme (2014) that has found local NPOs in Zimbabwe are not financially sustainable and had no reserve funds as they are more depended on external donor fund. The other challenge faced by these organizations is unlike their entrepreneurial counterpart they lack access to financial markets or formal financing institutions for loans and this produces a shortage of liquidity.

Findings further reveals that the lack of unattached funds and reserves has hindered the organisations from fulfilling their organisational purpose to the full and also from better contributing to community resilience in several ways. For example, lack of unattached funding is held responsible for employing on product delivered basis, offering short term contract and paying low wages which lead to competition with other employers who are on the lookout for skilled personnel. Furthermore, this challenge has led to a high turnover rate among employees, resulting in challenges of skills shortage within the organisation and the perpetual aspirations for continuous development of skills sets required to remain societally competitive. The data also shows that the lack of reserves decreases the organisation's ability to accept bigger orders (SoS, SG) or lance product innovations (PiF) that would enlarge their potential to upskill and employ more people. According to Booth et al. (2014), building of reserves is a necessary condition for the financial sustainability of SEs and NPOs to hedge uncertainty, protect and deliver on the mission.

In order to overcome this challenge, findings suggests that some of this organizations seem to be successful in sourcing non-sales related income, while others diversify sources of grants revenue, meaning by having more than one donor funding, thus achieving better levels of financial resilience. For example, PiF is able to use such unattached funding to support the clients cum workers through subsidising equipment that they could not have afforded otherwise. In the other case the organisation is able to pay compensation to and absorb volunteers, sometimes even employing them on limited contracts as staff members (SoS). This has contributed not only to organisational resilience, but has resulted in customers and staff cum clients as well as the community perceiving them as reliable employers, service providers, and/or suppliers over time. It has also played an important role in the case organisations being able to avoid mission drift. These surplus funds have also been used to be competitive in the job market by being able to compete with for-profit companies in attracting qualified and skilled personnel including board members, which leads to further professionalisation in the social sector organisation. What these organisations have managed to achieve as a result of having financial reserves is in line with literature, which indicates that financial reserves within SEs/NPOs are a significant indicator of organisational purpose and effectiveness (Booth et al., 2014). In order to achieve this, it all depends on the capability to attract ongoing financial reserves that play a role in building financial sustainability for SEs/NPOs (Weerawardena, McDonald & Mort, 2010; Besel, Williams & Klak, 2011; Bingham & Walters, 2013), which, by their nature, are unbale to access capital markets (Feenstra & van Helden, 2003).

Lack of measurement of social impact

The research findings suggest that there is still a struggle among organizations to measure societal impact. SoS also shows recognition of a lack of social impact measurement tools, and in particular of the difficulty the organisation has in measuring impact of its programmes. Here the need was expressed to have skilled personnel such as researchers to help the organisation devise an impact assessment system in order to ensure programmes are indeed geared towards getting the intended impact. Furthermore, the wish was articulated to develop tools geared at better enabling the community to co-create solutions from within the community itself, while also giving autonomy and independence to the community to develop its own solutions.

For HR their impact monitoring is pursued, and target milestones are being evaluated in order to keep strategic track of HR accomplishing the desired balance between growth and social impact. Since its mission is based on achieving changes in the health service system, indicators currently are the numbers of people reached, the nature and quality of services offered, and the savings visited upon the health system due to HR's interventions. The organisation's impact on community resilience is an indirect one. The links are via the health system and improvement of individual health which is one essential resource for personal resilience. This finding is in line with the literature that has argued that measurement, control and accountability are major challenges facing social sector organizations (Ebrahim & Rangan, 2010, Ebrahim, 2010) and in general social impact measurement is a difficult and hotly debated issue altogether (Bassi, 2022; Argiolas et al., 2024).

Conclusion

The aim of this research was to explore the role of social enterprises and non-profit organisations in contributing to the community resilience. The research further explored the role of organizational resilience in contributing to community resilience, meaning, the link between organizational resilience and community resilience.

The research recognizes both limitations and scope for further research. The study acknowledges that our qualitative case study research results are not generalizable. Further research could focus on quantitative techniques to ensure generalizability. The focus of the study was strictly on the role of organizations and not on the role and behaviour of the organisational leaders and social entrepreneurs. The research implore further research to focus on the role of individual leaders such as social entrepreneurs an individual.

The research makes few contributions: First, the research demonstrated through the findings the link between organizational resilience and community resilience. Therefore, through demonstrating how organizational resilience forms and informs community resilience the research makes major contribution to the literature on social entrepreneurship. Indeed, SEs and NPOs need to be resilient themselves to contribute to community resilience. Yet, this is more than just as a prerequisite for long term impact on community resilience, even if it

might not represent a guarantee for such impact. As a point in case: All the organisations studied focussed on diversification in regard to both organisational as well as community resilience. It appears that product diversification efforts can well be seen as contributing to community resilience as much as it does contribute to organisational resilience. But in regard to community resilience the effects might have been different. While in three organisations product diversification was driven primarily by changing community needs, it seems to have been driven by the need to improve cash flow primarily an inner organisational motive and by extension for organizational resilience. Diversification of funding is another point in proof: Attracting more funds from diverse donors enlarges the organisations' reach in terms of their target group and allow for more training and improvement of personnel which contribute to organizational resilience.

Second, regardless of their origin as NPOs, civil society organisations or social enterprises with a common good objective, they now employ entrepreneurial strategies and modes of operation alongside solutions developed with and by those affected in order to contribute to community resilience. An ideal-type Community Based Organisation, which is fully selforganised, would involve multiple stakeholder groups in (re-)defining and enforcing rules collectively (Ostrom, 1990). This has proven effective in creating community trust and solidarity for a sustainable provision common goods. It does take time though, and might be less effective in periods of sudden crises. The four organisations studied frequently proved to be fast in negotiating adaptive responses to an adverse event, which is what Shepherd and Williams found to be important for organisational resilience (Shepherd & Williams, 2023, p. 28), while still maintaining alignment with community needs. Particularly in the cases of SoS and PiF we can see that they also discerned the environmental change beyond simply surviving, which is a strong sign of cognitive resilience (Dewald & Bowen, 2010; Lengnick-Hall & Beck, 2005 as quoted by Shepherd & Williams 2023, p. 28). The contributions of the four organisations studied to community resilience can be seen to be the results of a combination of personal resilience by the entrepreneurs most influential in NPOs/SEs, with organisational resilience achieved and co-creation if not effective processes of co-governance firmly installed.

Even though this research cannot provide "proof" of whether or not SEs/NPOs active in a community truly improve community resilience. However, there is ample evidence in our

research that the creation of common goods does create extra costs (creating personal resilience with staff, volunteers and clients, developing pools of skills, sharing power (governance) even over assets, building up financial reserves. Indeed the focus of the study was not to conclusively measure impact as represented by community resilience. Therefore the study implore further research to focus on measurement of impact.

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