INSIGHT JOURNAL
UNIVERSITI TEKNOLOGI MARA CAWANGAN JOHOR

International, Refereed, Open Access, Online Journal

Volume 3
2019

eISSN : 2600-8564

INSIGHT JOURNAL (IJ)
UiTM Cawangan Johor Online Journal Vol. 3: 2019
eISSN :2600-8564
Published by UiTM Cawangan Johor
insightjournal.my

About

INSIGHT Journal is an international, open access, refereed, online, academic research journal established by Universiti Teknologi MARA Cawangan Johor, Malaysia. It is indexed in MyJurnal MCC.

INSIGHT Journal focuses on social science and humanities research. The main aim of INSIGHT Journal is to provide an intellectual forum for the publication and dissemination of original work that contributes to the understanding of the main and related disciplines of the following areas: Accounting, Business Management, Law, Information Management, Administrative Science and Policy Studies, Language Studies, Islamic Studies (ACIS) and Education.

Editorial Board Editors

Associate Professor Dr. Saunah Zainon (Editor-in-Chief)
Dr. Noriah Ismail
Associate Professor Dr. Raja Adzrin Raja Ahmad
Associate Professor Dr. Carolyn Soo Kum Yoke
Associate Professor Dr Mohd Halim Kadri
Associate Professor Dr. Intan Safinas Mohd Ariff Albakri
Dr. Noor Sufiawati Khairani
Dr. Akmal Aini Othman
Dr Norashikin Ismail
Dr Syahrul Ahmar Ahmad
Dr. Faridah Najuna Misman

Associate Editors

Aidarohani Samsudin
Deepak Ratan Singh
Derwina Daud
Dia Widyawati Amat
Diana Mazan
Fairuz Husna Mohd Yusof
Fazdilah Md Kassim
Haryati Ahmad
Ida Suriya Ismail
Isma Ishak
Nazhatulshima Nolan
Norintan binti Wahab
Nurul Azlin Mohd Azmi
Puteri Nurhidayah Kamaludin
Rohani Jangga
Rosnani Mohd Salleh
Sharazad Haris
Siti Farrah Shahwir
Siti Nuur-Ila Mat Kamal
Suhaila Osman
Zuraidah Sumery

Editorial Review Board

Associate Professor Dr. Ahmad Naqiyuddin Bakar
Rector
Universiti Teknologi MARA Cawangan Johor, Malaysia

Professor Dr. Kevin Mattinson
Associate Dean and Head of School of Education and Social Work
Birmingham City University, United Kingdom

Associate Professor Dr. Steve Mann
Centre for Applied Linguistics
University of Warwick, United Kingdom

Dr. Mahbood Ullah
Pro-Chancellor
Al Taqwa University Nangarhar Afganistan

Assistant Professor Dr. Ilhan Karasubasi
Italiano Language and Literature Department
Rectorat's Coordinator for International Relations
Ankara University, Turkey

Professor Dr. Supyan Hussin
Director of ATMA
Universiti Kebangsaan Malaysia, Malaysia

Dr. Nuri Wulandari
Indonesia Banking School
Jakarta Indonesia

Associate Professor Dr. Norsuhaily Abu Bakar
Universiti Sultan Zainal Abidin Terengganu, Malaysia

Mohammad Ismail Stanikzai
Assistant Professor
Laghman University, Afghanistan

Dr. Istianingsih, Ak, CA, CSRA, CMA, CACP
Indonesia Banking School
Jakarta Indonesia

Dr. Ira Geraldina
Indonesia Banking School
Jakarta Indonesia

Associate Professor Dr. Hj Amanuddin Shamsuddin
Universiti Tenaga Nasional
Malaysia

Dr. Ahmad Fawwaz Mohd Nasarudin
Assistant Professor
International Islamic University Malaysia

Dr. Surachman Surjaatmadja
Indonesia Banking School
Jakarta Indonesia

Dr. Mahyarni SE, MM
Lecturer of Mangement in Economic Faculty
Universitas Islam Negeri Sultan Syarif Kasim
Riau, Indonesia

Dr. Angeline Ranjethamoney Vijayarajoo
Lecturer
Universiti Teknologi MARA Cawangan Negeri
Sembilan, Malaysia

Dr. Eley Suzana Kasim
Lecturer
Universiti Teknologi MARA Cawangan Negeri
Sembilan, Malaysia

Dr Aida Hazlin Ismail
Senior Lecturer
Universiti Teknologi Mara
Kampus Puncak Alam Selangor

Zulaiha Ahmad
Universiti Teknologi MARA Cawangan Perlis
Malaysia

Tuan Sarifah Aini Syed Ahmad
Universiti Teknologi MARA Cawangan Negeri
Sembilan, Malaysia

Associate Professor Dr. Norsuhaily Abu Bakar
Universiti Sultan Zainal Abidin Terengganu
Malaysia

Dr. Zainuddin, Ibrahim
Universiti Teknologi MARA
Malaysia

Reprints and permissions

All research articles published in INSIGHT Journal are made available and publicly accessible via the Internet without any restrictions or payment to be made by the user. PDF versions of all research articles are available freely for download by any reader who intent to download it.

Disclaimer

The authors, editors, and publisher will not accept any legal responsibility for any errors or omissions that may have been made in this publication. The publisher makes no warranty, express or implied, with respect to the material contained herein.

TABLE OF CONTENTS

INSIGHT JOURNAL Volume 3
Published by UiTM Cawangan Johor, Malaysia
eISSN 2600-8564

5Ps: Governance and Performance Measurement Framework for Social Enterprises in Creating Social Values to Society

Saunah Zainon[1], Soo Kum Yoke[2], Isma Ishak[3]

[1]Associate Professor, Faculty of Accountancy, Universiti Teknologi MARA, Segamat Campus, Johore
sauna509@uitm.edu.my

[2]Associate Professor, Academy of Language Studies, Universiti Teknologi MARA, Rembau Campus, Negeri Sembilan
sooku607@uitm.edu.my

[3]Senior Lecturer, Faculty of Information Management, Universiti Teknologi MARA, Segamat Campus, Johore
ismai242@uitm.edu.my

Abstract

The trend of Social Enterprise (SE) operations has been on the rise globally. Achieving momentum for social values to societies although may be challenging, has been seen as necessary in businesses especially in addressing social issues such as unemployment and environmental problems. SEs are run by social entrepreneurs who combine the spirit of entrepreneurship and community to build social capital towards community improvement. As such, social capital navigates the use of the concept of SEs. It is this social relationship that glues societies together and enables them to get along with one another. The elements of trust, civic spirit, solidarity and readiness drive social capital to move SEs to build and maintain communities. What is important to note is the fact that, even though the numbers in studying SEs are growing, less attention is being paid to the governance and performance measurement of SEs particularly in Malaysia. Thus, this paper aims to propose a governance and performance measurement framework for SEs in creating social values to society. With the governance and performance measurement framework, social enterprises could be moulded to improve the quality of life of poor and disadvantaged people, in line with the government's New Economic Model (NEM), that includes poverty eradication. Hence, this would be useful to interested parties to establish any form of SEs. In addition, relevant governmental agencies would be able to regulate and monitor the establishments of SEs in the context of governance.

Keywords: framework, governance, performance measurement, social enterprise

1. Introduction

In recent years, there is a sprout of social entrepreneurship operations that are somewhat independent of financial support from the government. This lack of dependency and financial support from the government is due to the current tight situation where non-profit organisations (NPOs) are forced to transform themselves from being purely philanthropic in nature to that of social entrepreneurship. This has led to the establishment of new enterprises defined as *"integrated"* or *"hybrid"* that blur the boundaries between the profit and non-profit enterprises (Harris, 2012). This emergence has also led to a new dimension of a third sector in industries. SEs can be considered as a form of organisation that differs from traditional for-profit and

NPOs (Grieco et al., 2014; Huybrechts & Nicholls, 2013). The phenomenon of social entrepreneurships fall within the third sector as it engages in economic activities to pursue social objectives. The nature of SEs has raised the question of what their real motives are and how they are assessed in terms of whether they have achieved their objectives while contributing to society.

The upsurge awareness in recent decades of the potential contribution of SE activities in the economy and society are ignited by the growing number of social oriented ventures around the world. These enterprises differ in their scope of activities, operations and their background or formation. Numerous studies that focus on the social bottom line have been conducted but hardly any have been found on how to frame the performance measurements of these growing SEs especially in the context of governance. This has led to the motivation of this paper in providing a fresh take on SEs. Consequently, this paper proposes a governance and performance measurement framework for SEs.

2. Early Development of Social Enterprise in Eastern Asia

Socio-economic changes in the late 1990s have led to the emergence of SEs in East Asian countries (Defourny & Kim, 2011). This has led to the growth of organisations taking part in finding solutions to social problems. New policies and programmes to cater to public welfare needs were implemented. However, due to different social missions and needs, the mode of survival for each SE varied. Each SE had to cater to a specific category to meet specific social needs. The implementation involved researchers, government officers and third sector organisations. Table 1 illustrates the model of typology for the emergence of SEs in Eastern Asia.

Table 1: Typology of Emerging Social Enterprise Models in Eastern Asia

Models	Typology of Emerging SEs Models
• **Trading NPOs**	• NPOs looking for other sources of income or seeking to achieve financial sustainability through the delivery of social services (other than work integration).
• **Work Integration Social Enterprise**	• Provision of (stable or temporary) job opportunities with training and/or employment services.
• **Non-Profit Co-Operative**	• Collective self-employment and innovative responses to unmet needs based on co-operative tradition.
• **NPO-FPO Partnership**	• Involvement of private companies (or company foundations) to support NPOs or joint initiatives with a social mission.
• **Community Development Enterprise**	• Multi-stakeholder partnerships (NPO, FPO and public) promoting participatory local development.

Note: Defourny & Kim (2011, p.102) Emerging Models of Social Enterprise in Eastern Asia

The models are grouped into five (5) broad models which have their own dynamics and characteristics from Trading NPOs to Community Development Enterprises. With the presence of a good framework in strategy, governance and performance measures, it would be possible to deploy these models effectively.

3. The 5Ps of Social Enterprise Governance and Performance Measurement System

Assessing SE governance and non-financial (subjective/intangible/social) performance are fundamentally challenging in contrast to just assessing financial (objective /tangible) performance. To overcome these challenges, Terpening and Li (2014) recommended that social businesses adopt a complete social business governance (SBG) system which consists of 4 Ps – (i) people; (ii) policies, (iii) process and, (iv) practices. Adopting the 4Ps principles recommended by Terpening and Li (2014), this paper further includes 1P – "performance" to align with the development of the governance and performance measurement framework for SEs in creating social values to society. The first two pillars i.e. people and policies, focus on decision making, and the other three pillars i.e. process, practices and performance relates to execution and measurement of good governance practices.

a. **PEOPLE** are the most fundamental element for SEs governance and performance measurement system. For an effective governance system, leaders and the board of trustees are responsible to make strategic decisions and policies.
b. **POLICIES** codify decisions and agreements for managing roles of SEs.
c. **PROCESSES** are the steps, procedures and guidelines in support of the policy execution.
d. **PRACTICES** support the SE system by means of automation, education that execution of SE operations.
e. **PERFORMANCE** consists of both financial and non-financial performances which integrate with one another to achieve the mission and objectives of the SEs.

Figure 1 illustrates the 5P's of SEs governance and performance measurement framework system.

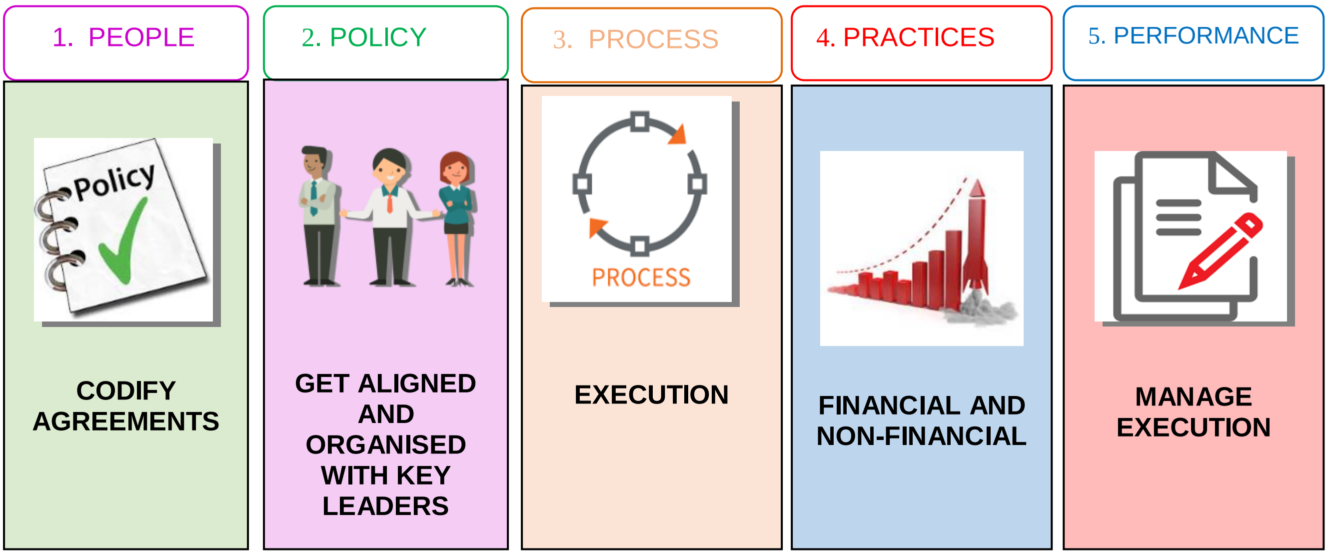

Figure 1. The 5Ps Framework for Governance and Performance Measurement

INSIGHT JOURNAL Volume 3
Published by UiTM Cawangan Johor, Malaysia
eISSN 2600-8564

4. Governance

Governance can be defined as *"the relationship among various participants in determining the direction and performance of corporations"* (Monks & Minow, 1995, p.181). Mason et al., (2007) defined governance as a set of relationship between a company's management, it's board, it's shareholders and other stakeholders that functions based on the company's objectives, attainment of those objectives and the monitoring of the company's performances towards those objectives. In the aftermath of the Enron scandal, governance became a pillar to support the organisation's performance. The mechanism included governing board, monitoring system and signalling mechanisms such as reporting and code of conduct. In order to assess the performance of SEs, governance ensured that organisations comply with policies and regulations to safeguard the organisational missions. Yu (2013) asserts that one of the aspects that is lacking in literature of SEs is the fundamental role of governance which could lead to improvements in the efficiency and effectiveness of SEs. Thus far, it has been found that there is lack of governance that perfectly fit SE operations (Schoning et al., 2012). Literatures have generally been found to describe the development of SEs but they lack inputs on how SEs should manage fiduciary responsibilities to achieve accountability through transparency of governance. An effective board can help SEs achieve their goal but awareness on setting up a board structure and board compostition needs to be addressed.

The various forms and sectors of SEs may affect the governing dynamics and practices in the organisations. Low (2006) explains that the non-profit form of ownership will more likely fit a multi-stakeholder model of governance in which the primary role of the governing board is to represent the interest of various constituencies and groups. In line with this, Yu (2013) described the governance structure in China under three major categories as in Figure 2 which is:

a. Government-supervised SEs, which are often registered as non-profit organisations and operate under close government supervision.
b. Shareholder-controlled SEs, which are registered as Commercial companies and controlled by shareholders and managers, free from direct state influence.
c. Member-regulated SEs, which is Farmers' Specialized Cooperatives, pursues a type of self-regulation of members and is not subject to close supervision by governmental agencies.

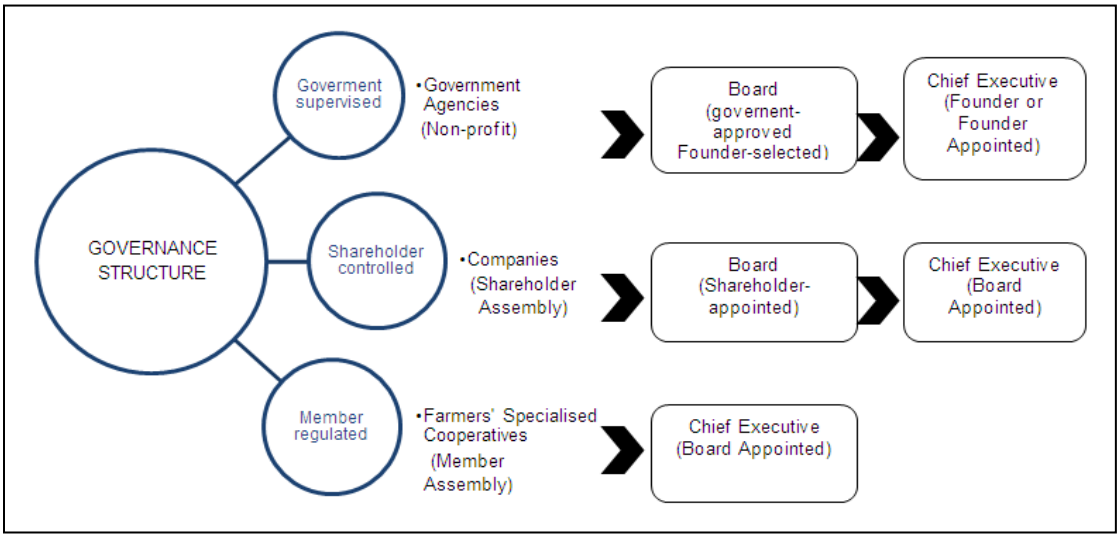

Figure 2. Typologies of governance structure of SE

The specific features of this governance structure will be clearer through the involvement of four groups of stakeholders namely:

a. Shareholders/founders;
b. Government agencies;
c. Members; and
d. Beneficiaries

A case study by Yu (2013) shows the result of the composition of the board. Among the 23 SEs in China, 22 of the SEs (95 percent) assigned board seats to shareholders or founders. Bertotti et al. (2014) pointed out that the development draws towards a neo-institutional approach which focuses on the concept of legitimacy and the role of cultural values and attitudes in determining the choice and behaviour of board members and management in the Northeast of England. Table 2 summarises the five models of governance elaborated by Cornforth (2001) in support of a conceptual framework.

Table 2: A Comparison of Theoretical Perspectives on Organisational Governance

Theory	Interest	Board Members	Board Role	Model
Agency theory	Owners' and managers have different interests	'Owner/mandators' representatives	Conformance: -safeguard 'owners' interests -oversee management -check compliance	Compliance model
Stewardship theory	'Owners' and managers share interests	'Experts'	Improve performance: - add value to top decisions/strategy - partner/support management	Partnership model
Stakeholder theory	Stakeholders have different interests	Stakeholder representatives	Political: -balancing stakeholder needs - make policy -control management	Stakeholder model
Resource	Stakeholders	Chosen for	Boundary spanning:	Co-optation

dependency theory	and organisation have different interests	influence with key stakeholders	- secure resources -stakeholder relations -external perspective	model
Managerial hegemony theory	'Owners' and managers have different interests	'Owners' representatives	Symbolic: - ratify decisions - give legitimacy (managers have real power)	'Rubber stamp' model

Source: Cornforth (2001, pp.9) Understanding the Governance of Non-Profit Organisations: Multiple Perspectives and Paradoxes

Table 2 compares these five theories in relation to the interest, board member, board roles and model of governance. The agency theory is the most acceptable theory being practiced in businesses where owners and managers have different interests to fulfil but which shareholders' interest is the priority. The stewardship theory explains that both manager and owner share the same interest in improving company performance. Under the stakeholder theory, different interest needs to be considered due to multiple stakeholders. It can be achieved through management control and policies.

The resource dependency theory is adopted when multiple stakeholders have different interest relating to the environment for resources. At this point, board members may have external link to other organisations to reduce uncertainty of resources and information. Lastly, managerial hegemony theory is where the owner and manager have different interests. Even though shareholders legally own the organisation but effective controlling power is held by the board of trustees who function as the company's decision makers.

The organisation has to balance between financial responsibilities and social impact while coordinating with multiple stakeholders and beneficiaries. Governance is the key for SEs to both oversee compliance with policies and regulations. It is also a safeguard for the organisational mission while meeting the demands of various stakeholders. The existence of the board members in SE institutions may help to ensure the success of the goals.

It is important to match the needs of primary stakeholders while engaging in the governance process which enables managers to be transparent and accountable. The governance system adopted has to be adaptable to ensure that those in charge can legitimise their activities and ensure legitimacy (Mason, Kirkbride & Bride, 2007). Consequently, the outcome of an effective and ethical governance system is the achievement of legitimacy. Legitimacy may assist in the measuring of the appropriateness with which an SE is governed. The process of governance must be repeated over time and continuous meetings with stakeholders' needs to be done in order to maintain legitimacy.

5. Performance Measurement

In general, performance measurement provides information to managers on the value creation processes within the organisation. Internally, managers may rely on the information projected to assess current performances. Externally, performance measurements act as a benchmark tool for comparisons among organisations and as indicators for future performances. The performance measurement system designation may reflect the key strategies imperatives and objectives of the organisations (Moore, 1999).

The needs of relevant and reliable information for both internal and external stakeholders have made measuring performance a priority in assessing the achievement of organisations (Luke et al., 2013). This type of information is used to assess both past performance and future planning. A good performance measurement tool helps organisations in identify problems and key areas. It assists in developing strategic objective and making efficient decisions to achieve the objectives (Parenson, 2011).

Bagnoli and Megali (2011) state the indicators for social effectiveness are composed of human resource, characteristics of supplier, fair, stakeholder's representativeness, productivity, user satisfaction, community benefit due to integration and environmental sensitivity. The indicators may give respond to the performance measurement and can help in determining the extent to which stakeholders' requirements are met.

Several methods for measuring SE's performance exist in relation to the different views to choose the best methods. Performance measurement in SEs frequently relates to financial and economic performance, social effectiveness and institutional legitimacy (Luke et al., 2013; Bagnoli & Megali, 2011) instead of impact value chain (inputs, activities, outputs and outcomes) (Achleitner et al., 2011; Parenson, 2011; Ebrahim & Rangan, 2010). Since social enterprises are hybrid in nature, these organisations are accountable for both the financial and non-financial performances of the organisation (Ebrahim et al., 2014). This is to ensure that the objectives of both performances function complementarily of each other and not otherwise.

5.1 Financial Performance

Generally an organisation uses its financial performance to determine its financial stability. Organisations usually use multiple measures such as accounting measures for financial performance and this includes sales, profits, and returns on investments and market measures that will provide an overall view of the organisation's performance. Table 3 below are definitions of financial performance based on previous literatures.

Table 3: Financial Performance Definitions

Bil	Authors	Financial Performance Definitions
1.	Cameron, 1986	Financial performance measurement, as an important component of assessing overall effectiveness.
2.	Moore, 1999	Functions to measure and evaluate firm's and executives' performances to provide a standard for comparison of a firm's performance across firms and industries.
3.	Uyar, 2010	Financial measures represent information and analyses that uses monetary equivalents
4.	Epstein & Buhovac, 2007	Financial measurement provide important information on: (a) the efficiency of spending valuable resources, (b) costs incurred, (c) growth in revenues, and (d) how financially successful the organization's various programs are.
5.	Ebrahim et al., 2014	Financial measures established standardised definitions and methods of assessment, allowing for comparability over time and with other enterprises.

Financial measures have traditionally been the biggest information used by upper level management in their tentative. Accounting profits, revenues, market values, and other return measures are included in the multiple measures. Financial measures reflect the assets and cash flows at various levels of an organisation and can be said as a valuable measurement tool.

The main differences in adopting accounting measures to measure an organisation's performance instead of economic measures are the use of the historical financial records such as profits, revenues, or account receivables. This can reflect timing differences, adjustments for accounting methods, or measurement errors (Moore, 1999) while economic measurements focus on the shareholders' returns. In this case and due to the lack of literatures from the view of SEs, it has been compared to NPOs. Table 4 shows the performance measures adopted by NPOs as their proxy for financial performance measures as indicated by Epstein and Buhovac (2009).

Table 4: Nonprofit Financial Performance Measures

Category	Financial Performance Measures
Administrative efficiency	• Administrative expenses divided by total expenses • Percentage of revenues spent on administrative expenses
Program efficiency	• Program support or charitable commitment (percentage of total expenses spent directly for the charitable purpose) • Program expenses divided by total expenses • Growth of program expenses • Current spending factor (total expenses divided by total revenues) • Program output index (number of units of actual physical output divided by total program expenses) • Productivity rate (outputs divided by inputs)
Fundraising efficiency	• Percentage of donations left after subtracting the cost of getting them • Percentage of revenues spent on fundraising expenses • Fundraising expenses divided by total expenses • Donor dependency (operational surplus subtracted from donations, divided by donations)
Other financial performance measures	• Revenue growth • Working capital ratio (working capital divided by total expenses)

Most of the financial performance measurements above have been used in measuring and evaluating performances of NPOs. Unfortunately, many of the measurements are not suitable to be used for comparison across organisations due to the differences in missions, strategies, structures and systems. Financial performance measurements are important not only for managers but also for all the multiple stakeholders of SEs.

5.2 Non-Financial Performance

Assessing non-financial performances is different from assessing financial performances. Financial performance uses a well-established method of assessment and standardise definitions which can be viewed for comparability over time or can be assessed among other organisations' financial performance (Ebrahim et al., 2014) whereas non-financial performance are measured rather subjectively due to the diverse nature of SEs.

During the last two decades, researchers from management accounting fields have become interested in improving the design of performance measurement and evaluation systems. They have also found interest in understanding the fundamentals in which non-financial performance can contribute to financial performance (Fernandez, 2002). The most conventional models of performance measurement for SEs are social returns on investments (SROI), social enterprise balanced scorecards (SEBC) and social impact for local economies (SIMPLEs) (Yang et al., 2014). The good performance of an organisation usually relates to how the governance of that organisation is conducted. The function of governance is to govern the management and operations of an organisation to ensure that the objectives and goals of the organisation are met. Hence, the next section of this paper will elaborate on the governance and performance measurement framework of SEs.

6. Governance and Performance Measurement Framework for SEs

The preceding discussion in this paper frames the schism between governance and performance measurements based on its significance. SE governance and performance measures are important areas of interest to multiple stakeholders in accomplishing their mission and objectives. It is the strategy for SEs to reach their potential investment in terms of social sccoplishments. In general terms, strategy defines what will be done and when it is to be done, how governance operates and by whom. SEs' performance measures (including mission and objectives) explains the why and act as a compass that guides the links between strategy, governance and performance meaures (Figure 3). There must be strategy to govern, and to govern without strategy will lead to failure.

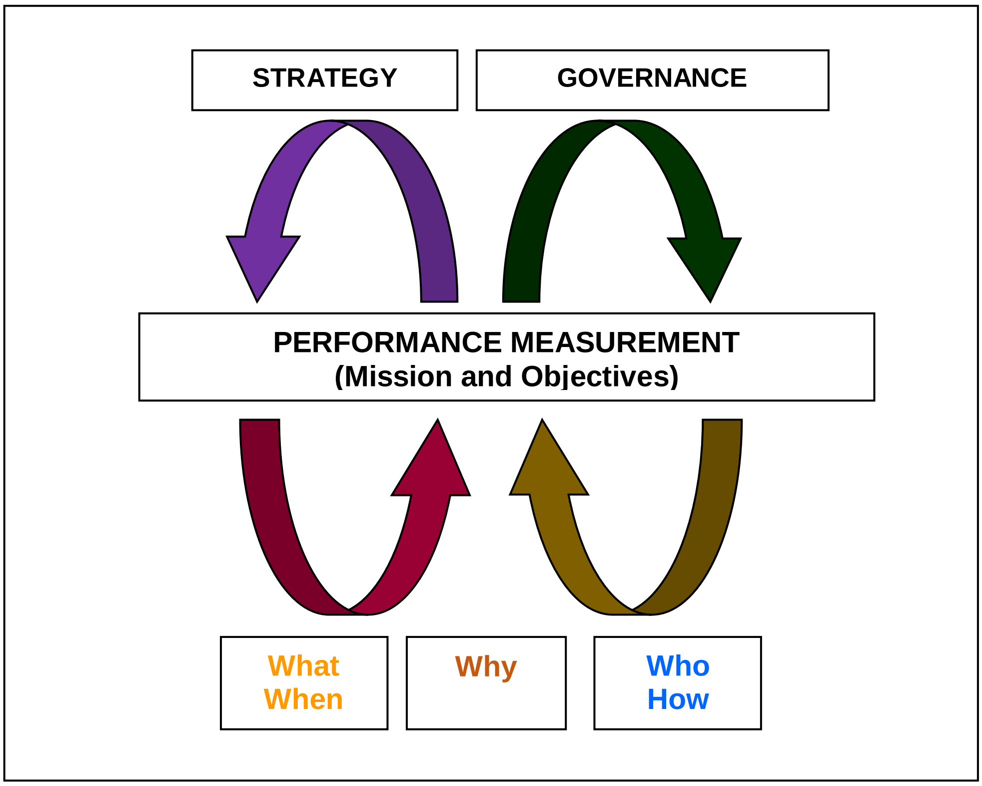

Figure 3. The Framework for Governance and Performance Measures

7. Conclusions

The aim of this paper as mentioned in the onset was to propose a governance and performance measurement framework for SEs in the endeavour to create social values to society. At present, numerous literatures in the area of SEs have been found but in the area of governance and performance, it has been found to be lacking. This paper in its endeavour to propose a governance and performance measurement framework has listed out the importance of governance in SEs and why performance measurements are equally significant to any organisation. Point to reference of the literature discussed, performance of SEs can have a snowball effect on the organisation's long term performance as it is deemed an asset that can ignite the company's overall performance. The key to this, as discussed in this paper lies in proper governance (Mason, 2010). The governance framework proposed in this paper is taken from literatures stated in this paper. Based on this proposed framework, it has been found that creating a governance and performance measurement framework is conducive for all sectors including governmental sectors, NPOs and for-profit organisations as well as SEs. Future breakthroughs could be interesting to research and study in this area to test the effectiveness of the framework and provide further improvements to elevate SE performance in creating social values to society.

References

Abdu, A., & Johansson, E. (2009). Social entrepreneurship - A case study of SIFE Umeå University, Umeå School of Business, 1-66.

Achleitne, A.-K., Heinecke, A., Noble, A., Schöning, M., & Spiess-Knafl, W. (2011). Social investment manual: An introduction for social entrepreneurs, 68.

Anheier, H. K. (2005). Nonprofit organizations theory, *Management, Policy,* Taylor and Francis e-Library (pp. 456).

Bagnoli, L., & Megali, C. (2011). Measuring performance in social enterprises. *Nonprofit and Voluntary Sector Quarterly, 40*(1), 149-165.

Barraket, J., & Nick, C. (2010) Mapping social enterprise in Australia: Conceptual debates and their operational implications. *Third Sector Review*, *16*(2). pp. 11-28.

Beer, H., Gamble, E., & Moroz, P. (2012). Increasing the Impact of Social Enterprise: The Search for A Performance Measurement Regime. Paper presented at the USASBE.

Bertotti, M., Han, Y., Netuveli, G., Sheridan, K., & Renton, A. (2014). Governance in South Korean social enterprises. *Social Enterprise Journal, 10*(1), 38-52.

Cameron, K. S. (1986). Effectiveness as paradox: Consensus and conflict in conceptions of organizational effectiveness. *Management Science, 32*(5), 539-553.

Carter, T. S., & Man, T. L. M. (2008). Canadian registered charities: Business activities and social enterprise: Thinking outside the box. Paper presented at the National Centre on Philanthropy and the Law Annual Conference.

Clarke, T. (2005). Accounting for Enron: Shareholder value and stakeholder interests. *Corporate Governance: An International Review*, *13*(5), 598-612.

Clifford, J., Markey, K., and N. Malpani. (2013). Measuring social impact in social enterprise: The state of thought and practice in the UK. London. E3M.

Cornforth, C. (2001). Understanding the governance of non-profit organizations: Multiple perspectives and paradoxes. Paper presented at the 30th Annual ARNOVA Conference, 29 November - 1 December, Miami.

Dainelli, F., Manetti, G., & Sibilio, B. (2013). Web-based accountability practices in non-profit organizations: The case of National Museums. *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, *24*(3), 649-665.

Dees, J. G. (2001). Enterprising nonprofits. *Harvard Business Review,* 13.

Defourny, J., & Kim, S.Y. (2011). Emerging models of social enterprise in Eastern Asia: A cross country analysis, *Social Enterprise Journal*, *7*(1), 86 – 111.

Defourny, J, Kuan, Y.Y, Bidet, Et, & Eum,H.K, (2011). Social enterprise in South Korea: history and diversity. *Social Enterprise Journal*, *7*(1), 69-85.

Defourny, J., & Nyssens, M. (2008). Social enterprise in Europe: Recent trends and developments. *Social Enterprise Journal*, *4*(3), 202-228.

Dictionary, O. E. (2013). Oxford English Dictionary.

Ebrahim, A. (2003). Making sense of accountability: Conceptual perspectives for Northern and Southern nonprofit. *Nonprofit Management & Leadership, 14*(2), 191-212.

Ebrahim, A., Battilna J. & Mair J., (2014). The governance of social enterprises: Mission drift and accountability challenges in hybrid organizations, *Research in Organizational Behavior*, *34*, 81-100.

Ebrahim, A., & Rangan, K., (2010). The limits of nonprofit impact: A contingency framework for measuring social performance. Working Paper.

Emerson, J. and Twersky, F. (1996). New social entrepreneurs: The Success, challenge, and lessons of non-profit enterprise creation, Roberts Foundation, San Francisco, CA.

Epstein, M. J., & Buhovac, J. A. (2007). Management accounting guideline: The reporting of organizational risks for internal and external decision making. Mississauga: *The Society of Management Accountants of Canada*, New York: The American Institute of Certified Public Accountants.

Gandy, J. D. (2012). The relationship between social entrepreneurship and organizational effectiveness. Doctor of Philosophy, Dallas Baptist University, United States.

Gawell, M. (2014). Social entrepreneurship and the negotiation of emerging social enterprise markets. *International Journal of Public Sector Management, 27*(3), 251-266.

INSIGHT JOURNAL Volume 3
Published by UiTM Cawangan Johor, Malaysia
eISSN 2600-8564

Grieco, C., Michelini, L., & Iasevoli, G. (2014). Measuring value creation in social enterprises: A cluster analysis of social impact assessment models. *Nonprofit and Voluntary Sector Quarterly, 1*(21), 1-22.

Harris, M. (2012). Nonprofits and business toward a subfield of nonprofit studies. *Nonprofit and Voluntary Sector Quarterly*, *41*(5), 892-902.

Helm, S. (2007). Social entrepreneurship: Defining the nonprofit behavior and creating an instrument for measurement. Doctor of Philosophy, University of Missouri-Kansas City, United States.

Ho, A.P. and Chan, K.-T. (2010). The social impact of work-integration social enterprises in Hong Kong. *International Social Work*, *53*(1), 33-45.

Huybrechts, B., and Nicholls, A. (2013). The role of legitimacy in social enterprise-corporate collaboration. *Social Enterprise Journal, 9*(2), 130-146.

Jetmar, M., (2013). Social entrepreneurship: Challenge not only for developing countries but also for the EU. CBU International Conference on Integration and Innovation in Science and Education, April 7-14, Prague, Czech Republic, 41-49.

Kala, K. (2008). The social origins of the Estonion non-profit sector. *Trames, 12*(4), 441-449.

Kaplan, R. S., & Norton, D. P. (2001). Transforming the balanced scorecard from performance measurement to strategic management: Part II. *Accounting Horizons, 15*(2), 147–160.

Kuan, Y. and Wang, S. (2010), Taiwanese social enterprises: Characteristics development trends and effects. Paper presented at the International Conference on Social Enterprises in Eastern Asia: Dynamics and Variations. Taipei, 14-16 June.

Laratta, R., Nakagawa, S. and Sakurai, M. (2011). Japanese social enterprises: Major contemporary issues and key challenges. *Social Enterprise Journal*, *7*(1), 51-69.

Larner, J., & Mason, C. (2014). Beyond box-ticking: A study of stakeholder involvement in social enterprise governance. *Corporate Governance*, *14*(2), 181-196.

Lee, R. (2009), The emergence of social enterprises in China: The quest for space and legitimacy. Paper presented at the 2nd EMES International Conference on Social Enterprise, University of Trento, Trento, 1-4 July.

Lehner, O. M. (2011). The phenomenon of social enterprise in Austria: A triangulated descriptive study. *Journal of Social Entrepreneurship, 2(*1), 53–78.

Li, S., & Wong, T. (2007). Social enterprise policies of the United Kingdom, Spain and Hong Kong. Research and Library Services Division. Legislative Council Secretariat.

Low, C. (2006). A framework for the governance of social enterprise. *International Journal of Social Economics, 33*, 376-385.

Luke, B., Barraket, J., & Eversole, R. (2013). Measurement as legitimacy versus legitimacy of measures: Performance evaluation of social enterprise. *Qualitative Research in Accounting & Management, 10*(3/4), 234-258.

Lyne, I. (2012). Social enterprise and social entrepreneurship as models of sustainability for local NGO's: Learning from Cambodia. *International Journal of Management Research, 2*(1), 1-6.

Mair, J. and Noboa, E. (2003). Social entrepreneurship: How ontentions to create a social enterprise get formed, Working Paper WP No 521, IESE Business School- Universitad de Navarra.

Mason, C. (2010). Some challenges in social enterprise governance. *Social Enterprise Journal*, *6*(2), 1-6.

Mason, C., Kirkbride, J., & Bryde, D. (2007). From stakeholders to institutions: The changing face of social enterprise governance theory. *Management Decision*, *45*(2), 284-301.

McLoughlin, J., Kaminski, J., Sodagar, B., Khan, S., Harris, R., Arnaudo, G., & Mc Brearty, S. (2009). A strategic approach to social impact measurement of social enterprises: The SIMPLE methodology. *Social Enterprise Journal*, *5*(2), 154-178.

Manwaring, S., & Valentine, A. (2012). Social enterprise in Canada guide to the leading 500 lawyers in Canada, Thomson Reuters, 6.

Monks, R. A., & Minow, N. (1995). Corporate governance. 5th ed. Wiley & Sons.

Morse, R. and Dudley, D. (2002), Civic entrepreneurs and collective leadership, PA Times, August 3.

Moore, J., Stinson, L., & Welniak, E. (1999). Income reporting in surveys: Cognitive issues and measurement error. In *Cognition and Survey Research,* M. Sirken, D.J. Herrmann, S.Schechter, and R.Tourangeau, eds. New York: Wiley and Sons.

Muth, M., & Donaldson, L. (1998). Stewardship theory and board structure: A contingency approach. *Corporate Governance: An International Review, 6*(1), 5-28.

Parenson, T. (2011). Social impact evaluation in social enterprises in Estonia: Need, readiness and practices. University of Tartu, Estonia.

Salamon, L. M., & Anheier, H. K. (1996). Social origins of civil society: Explaining the nonprofit sector cross-nationally. The Johns Hopkins University Institute for Policy Studies.

Schöning, M., Noble, A., Heinecke, A., Achleitner, A.-K., & Mayer, J. (2012). The governance of social enterprises managing your organization for success. Paper presented at the World Economic Forum.

Shin, C. (2018). How social entrepreneurs affect performance of social enterprises in Korea: The mediating effect of innovativeness. *Sustainability*. *10*, 2643; doi:10.3390/su10082643.

Somers, A. B. (2005). Shaping the balanced scorecard for use in UK social enterprises. *Social Enterprise Journal, 1*(1), 43-56.

Spear, R., Cornforth, C., & Aiken, M. (2009). The governance challenges of social enterprises: Evidence from a UK empirical study. *Annals of Public and Cooperative Economics, 80*(2), 247-273.

Talbot, C., Tregilga, P. & Harrison, K. (2002), Social enterprise in Australia: An introductory Handbook, Adelaide City Mission, Adelaide.

Tanimoto, K. (2008). A conceptual framework of social entrepreneurship and social innovation cluster: A preliminary study. *Hitotsubashi Journal of Commerce and Management, 42*, 16.

Terpening,, E. & Li, C. (2014). A best practices report social business governance: A framework to execute social business strategy. *Altimeter Group*, November 13.

The Guardian. (2013). Secret social entrepreneur: Why defining social enterprise is important. retrieved Oct. 13, 2014 from http://www.theguardian.com/social-enterprise-network/2013/apr/09/secret-social-entrepreneur-social-enterprise-definition.

The Star. (2013). Malaysia may increase funding to NGOs, *Social Enterprises*, retrieved May 8, 2014 from http://www.thestar.com.my/business/business-news/2013/09/19/govt-may-increase-funding-to-ngos-social-enterprises.aspx

Uyar, A. (2010). Development of non-financial measures as contemporary performance measuremet tools, *World of Accounting Finance*, *12*(1), 209-238.

Weerawardena, J., & Mort, G. S. (2006). Investigating social entrepreneurship: A multidimensional model. *Journal of World Business, 41*(1), 21-35.

Wexler, R. A. (2006). Social enterprise: A legal context. *Tax Analysis, 54,* 12.

Yang, C. L., Huang, R.-H., & Lee, Y.-C. (2014). Building a performance assessment model for social enterprises-views on social value creation. *Science Journal of Business and Management, 2*(1), 9.

Yusof, M.Z., Ibrahim, I.A. & Hamid, M. A., (2013). Who is the social entrepreneur? Easy question, difficult answer. *Journal of Global Entrepreneurship, 5*(1),1-23.

Yu, X. (2011), Social enterprise in China: Driving forces, development patterns and legal framework. *Social Enterprise Journal, 7*(1), 9-33.

Yu, X. (2013). The governance of social enterprises in China. *Social Enterprise Journal. 9*(3), 225-246. doi: 10.1108/sej-08-2012-0034.

Zahra, S. A., Gedajlovic, E., Neubaumc, D. O., & Shulmand, J. M. (2009). A typology of social entrepreneurs: Motives, search processes and ethical challenges. *Journal of Business Venturing, 24*. 519-532.

Zakaria, F. (2011). Social enterprise in Malaysia: The UMK experience.

Zainol, F., Daud, F.A.W., Abdullah, Z. & Yaacob, M. R. (2014). Overcoming poverty through social entrepreneurship: A conceptual paper. *International Business Research, 7*(7), 183-188.

IIJ

INSIGHT JOURNAL

UNIVERSITI TEKNOLOGI MARA CAWANGAN JOHOR

International, Refereed, Open Access, Online Journal

Volume 3

2019

eISSN : 2600-8564