

How do social entrepreneurship factors influence sustainable business development? The mediating role of social network

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Article History

Received : 2024-11-07

Revised : 2025-01-13

Accepted : 2025-01-20

Published : 2025-02-18

Keywords:

Social entrepreneurship; social innovation; social mission; social network; sustainable business.

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DOI:

[10.20885/AMBR.vol5.iss1.art9](https://doi.org/10.20885/AMBR.vol5.iss1.art9)

Abstract

This study aimed to empirically investigate the factors of social entrepreneurship - namely, social mission, social innovation, and the mediating role of social networks in achieving sustainable business development within developing tourist villages. The research employed a quantitative approach, focusing on 42 tourist villages in Bantul Regency. Data analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM). The findings revealed that social missions and social networks significantly and positively impact sustainable business development. However, social innovation did not show a significant effect on sustainable business development. Notably, social networks positively and significantly mediated the relationship between social innovation and sustainable business development. This study has several limitations. Firstly, it measured only two factors and one mediator of social entrepreneurship in addressing sustainable business development. Future research could explore other elements of social entrepreneurship, such as risk-taking. Secondly, social networking was used as a mediating variable; future studies could expand on this by incorporating HR practices. The results of this study have implications for social entrepreneurs, emphasizing the creation of relevant social and economic value for individuals and teams by addressing social and environmental needs. This approach is essential for developing creative and innovative solutions that ensure social, economic, and environmental sustainability in both normal and abnormal ecological situations.

Introduction

Village development is crucial for facilitating sustainable economic growth, enhancing quality of life, and advancing the welfare of those living in rural areas. In acknowledgment of this necessity, Law Number 1 and Government Regulation Number 6 of 2014 regarding villages stipulate that initiatives to improve rural lives must prioritize community empowerment and economic resilience. These legislative frameworks underscore the significance of participatory and sustainable development techniques, especially within rural communities. Rural development can be harmonized with overarching sustainability objectives by utilizing local resources and engaging communities in decision-making.

The strategic development of villages that capitalize on their distinctive cultural and natural assets to encourage local tourism can facilitate the empowerment of rural communities toward autonomy, as Lubis et al. (2020) suggested. This viewpoint is corroborated by research by Saha et

al. (2018), which demonstrates that classifying sites as World Cultural Heritage Sites (WCHS) propels cultural tourism, significantly impacting rural livelihoods by fostering local economies and generating economic opportunities.

Moreover, study (Lubis et al., 2020) emphasizes the significance of community engagement in tourist development centered on cultural and resource preservation, which cultivates economic prospects while enhancing community empowerment, autonomy, and sustainable development. The results underscore the necessity of integrating social networks and community-focused strategies into sustainable development initiatives. This highlights the necessity of synchronizing community-oriented tactics with sustainable tourism practices, utilizing social networks, and conserving cultural and natural resources to empower local people and promote inclusive economic development (Manthiou et al., 2022). It is emphasized that community-driven initiatives and stakeholder collaboration are essential to promote sustainable tourism by combining local enterprises, cultural preservation, and environmental conservation, thereby enhancing social, economic, and environmental resilience in tourism-dependent areas (Walker et al., 2021). These studies show that community-oriented strategies, sustainable tourism practices, and social network integration are critical for inclusive economic development.

Concurrently, social entrepreneurship has arisen as a crucial catalyst for sustainable development (Shaozhong, 2024). Social entrepreneurship addresses social concerns through innovative, community-focused strategies, thereby reconciling economic goals with social effect (Kamaludin et al., 2024). In accordance with Jiatong et al. (2021) assert that social mission and social innovation are key factors in sustainable enterprise development, with collaboration via social networks serving a mediating function. Furthermore, social networks create an environment where individuals and companies can share information to achieve sustainable corporate development (Ülgen, 2019; Aquino et al., 2018). Elements such as social mission, innovation, and collaboration are crucial in promoting sustainable business practices that benefit both the community and the environment (Javed et al., 2019). Despite the acknowledged importance of social mission, innovation, and social networks in sustainable business development, the precise mechanisms via which these factors interact to influence sustainability results are not yet fully comprehended (Quaye et al., 2024; Wolff et al., 2024; Zhang, 2024).

This study seeks to fill this gap by analyzing the impact of social entrepreneurship elements, including social mission and social innovation, on sustainable business development, focusing on the mediating role of social networks. The research adopts social capital theory and the triple bottom line framework as its conceptual foundation, emphasizing the importance of trust, shared norms, and social networks in enabling cooperation and resource sharing among stakeholders (Kamaludin, 2023; Sheng et al., 2024). These frameworks provide a comprehensive lens for understanding how social entrepreneurship fosters social value creation, facilitates collaboration, and strengthens communities' capacities to address sustainability challenges. Social entrepreneurship provides feasible routes out of poverty by utilizing the ideas of the Triple Bottom Line to improve social and economic results (Zhang et al., 2022). Furthermore, Premadasa et al. (2023) highlights the significance of social entrepreneurial orientation in attaining sustainability objectives by harmonizing enterprise strategies with the triple bottom-line framework. This research enhances comprehension of how social entrepreneurship can facilitate rural development by reconciling economic, social, and environmental goals, offering a framework for policymakers, entrepreneurs, and community leaders to foster inclusive and sustainable development (Aguñaga et al., 2018; Ebrashi, 2013).

Literature Review and Hypotheses Development

Triple Bottom Line Framework

The triple bottom line (TBL) concept, established by Elkington and Rowlands (1999), offers a holistic method for assessing organizational effectiveness by integrating three fundamental dimensions: economic (profit), social (people), and environmental (planet). This framework contests conventional business models by broadening the emphasis beyond financial returns to encompass social equality and environmental sustainability (Norman & Macdonald, 2004). TBL

seeks to synchronize business objectives with overarching societal and environmental ideals, advocating for sustainability as a fundamental principle (Jeurissen, 2000).

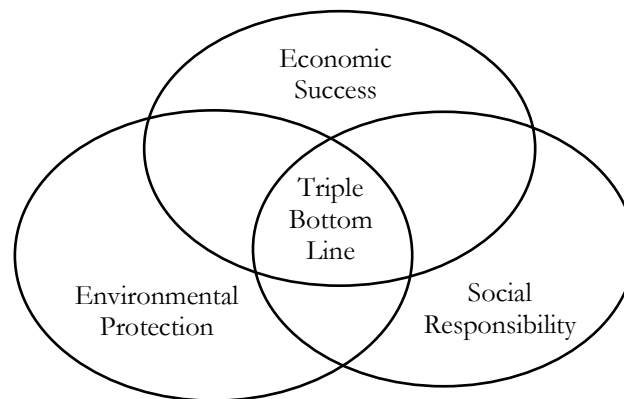


Figure 1. Triple Bottom Line by Elkington and Rowlands (1999)

In his review of John Elkington and Ian Rowlands's book "Cannibals with Forks: The Triple Bottom Line of 21st Century Business," (Jeurissen, 2000) emphasizes the triple bottom line (TBL) concept as a novel method for incorporating sustainability into company strategy. TBL underscores the equilibrium among three fundamental dimensions: economic (profit), social (people), and environmental (planet). Jeurissen commends Elkington's pragmatic measures, including transparency and intersectoral collaboration, to propel enterprises towards sustainability. He also critiques the intricacy and radical methodology that may inundate business professionals. Nonetheless, TBL is seen as a crucial instrument for encouraging firms to confront contemporary sustainability concerns (Kamaludin, 2023).

Social Capital Theory

The theory of social capital emphasizes the significance of networks, trust, and shared norms in determining the degree to which they facilitate collaboration and collaborative success. The concept of social capital was initially presented by Newton (1997) and then developed by Siisainen (2003). According to this theory, social capital helps individuals and communities to pool resources, encourage creativity, and accomplish shared objectives. Adler and Kwon (2002) state that social capital, when applied to the setting of social entrepreneurship, improves collaboration between different sectors, the mobilization of resources, and the development of social value. According to Adler and Kwon (2009), it helps communities become more trustworthy and more understanding of one another, enhancing their capacity to address sustainability-related difficulties. On the other hand, criticisms such as the absence of universal criteria for measurement (McElroy et al., 2006) and the possibility of exclusivity in networks bring to light the necessity of implementing the theory in a balanced manner to promote inclusivity and equity.

Social Entrepreneurship

Entrepreneurs apply creativity and innovation to solve problems and find opportunities to improve business. Social entrepreneurship is a strategic idea to solve social problems by emphasizing innovation and creativity to produce something new while creating social values (Wuryandari et al., 2020). The social business integrates social missions and economic activities to ensure the sustainability of the business (British Council, 2018). Social entrepreneurship is the same as an entrepreneur, which is business-oriented and social interest-oriented (Surniandari et al., 2018).

Social entrepreneurship focuses on agents of change who try to influence systemic change and continuous improvement (Pacut, 2020). Social entrepreneurs do not only produce new innovative products but also build new organizational forms and develop new business models (Sharma, 2017). Social entrepreneurship plays a key role in the economy as an invisible hand from individual moral concern, commitment, and a sense of sharing (Sijabat, 2015). Like a business in general, social entrepreneurship tries to make a profit. However, the difference is that it is also motivated by a social

mission and reinvests most of the profits to its mission (British Council, 2018).

Social innovation is important in solving social problems with new and innovative ideas that contribute to social value outcomes (Sharma, 2017). Social innovation is important for economic, social development, and competitiveness and can improve social welfare and support the development of social conditions (Palová & Šebestová, 2016). As a strategy, social innovation is integrated with social, economic, and technological aspects to improve the quality and quantity of community welfare, stimulate economic growth, and increase technological progress (Jali et al., 2016). As the basis of competitiveness, innovation is the key to development, sustainable economic growth, and community welfare (Doğan, 2016).

Social mission is an important part of social entrepreneurship as without social mission, it is difficult to distinguish between entrepreneurship and social entrepreneurship and between an ordinary business and social enterprise (Bruder, 2021). The social mission supports sustainable businesses to run smoothly and provide social impact for community development. The social mission provides a roadmap for social business and keeps the organization on track to create social impact and business sustainability (Javed et al., 2019). Social mission is the process of developing a social enterprise for social practice, has a prominent social entrepreneurial nature, and is associated with a positive and strong mission goal. The unclear mission can cause problems for social enterprises and reduce profitability (Jiatong et al., 2021). The social mission aims to create a measurable positive impact on the public welfare and the environment and solve social problems by planning, developing, empowering, and reinvesting most of the profits to solve social problems and/or support the mission (British Council, 2018).

Sustainable development becomes the main conceptual framework for community and social development and commonly covers a long-term perspective on resource exploitation (Latif, 2018). The most widely used sustainable development for community-based tourism is “triple-bottom-line,” in which policies and actions balance social, economic, and environmental costs and benefits. Sustainability can be defined as a business approach that creates long-term value by considering how an organization operates within its ecological, social, and economic environment (Haanaes, 2016). Sustainable development meets the present needs without reducing the skills and ability of future generations to meet their needs (Henriques et al., 2022; Goel & Joshi, 2017). Sustainable business development is an organization that can expect and fulfill the desires of current and future generations, creating and innovating new business strategies that accelerate positive social change, maintain ecological integrity, and improve business performance (Jiatong et al., 2021).

Tourist villages are areas of a specific size with the potential for tourist attractions and unique communities that can create a combination of tourist attractions to attract tourists to visit fitted with supporting facilities and accommodations managed by the local community (Hamzah & Irfan, 2018). Tourist villages are a new tourism destination developed by the government to equalize development and improve community welfare while preserving the environment and raising local potential based on local wisdom (Leonandri & Rosmadi, 2018). Tourist villages are areas with many tourist attractions (cultural, artificial, and natural) packaged so that tourists visit the village (Ramadhani et al., 2021). Tourist villages can be said as a way to enjoy attractions, accommodation, and tourism facilities in a community that still upholds tradition (Hermawan, 2016). Therefore, tourist villages focus on the original tradition in the community lives in other words, tourist villages cannot be separated from tradition.

Social Mission and Sustainable Business Development

A social mission is a company's commitment to improving community welfare through sound business practices. A study by Simatele and Dlamini (2020) states that companies pursuing a social mission have stronger entrepreneurship and better results. Articulating social mission-oriented performance is important to legitimizing the changes needed to support goals and socially mission-oriented organizations to provide a metanarrative for bridging the cognitive gap associated with the diversity of organizational goals. Combining multiple organizational missions can help make organizational changes. This aligns with Muñoz and Kimmitt (2019), whose social mission is to help social enterprises achieve sustainable organizational development. It can be said that business

practices are part of a more extensive social and ecological system where a true transition to sustainability requires a thorough process of institutional adjustment to balance the adaptive tensions of social mission, environmental protection, and economic growth (Hoque et al., 2018). Therefore, the social mission is widely recognized to have a positive socio-economic impact on society because it continuously works to provide long-term solutions to social problems to achieve sustainable business development. Thus, this present study proposes the following hypothesis:

H₁: Social mission has a significant positive impact on sustainable business development.

Social Innovation and Sustainable Business Development

Gasparin et al. (2021) explain that social innovation is the application of new ideas to solve social problems that provide substantial social impacts and generate benefits (money and others) for social enterprises. Thus, the role of social innovation as a driver of the sustainable development concept and its evolutionary aspects has become an interesting topic for most researchers (Carayannis et al., 2019). Another study reveals that social innovation encourages people to participate in initiatives that benefit the community. These activities include engaging, interacting, and bringing people together to change the world (Arocena & Sutz, 2021). In practice, social innovation has challenges due to the complexity of the stakeholders and ecosystems involved in the overall value-creation structure. Thus, combining unique resources and social innovation can help entrepreneurs develop sustainable businesses. Previous researchers also argue that innovation and social transformation through human-centered systems engineering have contributed to understanding project stakeholders and a holistic view of resource recovery and sustainability (Osburg & Schmidpeter, 2013). It is in line with (Salim Saji & Ellingstad, 2016) that innovation and creativity are important for running a business. Another study concerning sustainable business development shows that social mission, social innovation, social networking, and financial gain are unique business assets that lead to sustainable business (Javed et al., 2019). Thus, the second hypothesis is:

H₂: Social Innovation has a significant positive impact on sustainable business development.

Social Network and Sustainable Business Development

A study by Bruder (2021) reveals that the increasing popularity of mobile internet and the development of communication technology make researchers pay more attention to social networks. Social media can provide insights into the sustainability process, especially regarding resources that help identify risks early in a company's sustainability. Studies on the important part of the strategic utilization of the economy focus on communication for social relations and social commitment, so companies need to expand and maintain social connections in order to help companies maintain competitive advantages and improve business performance in competitive markets with sustainable development (Aguñaga et al., 2018). In other words, social networks have important roles in developing a sustainable business. It is in line with Quaye et al. (2024) that the use of a leverage point perspective in applying social network analysis has the potential to identify relevant partners for specific interventions in the shallow (parameters and feedback) and deep (design and objectives) system characteristics to drive transformative change. This can provide insight into the role and importance of social networks in intervening with the characteristics of different systems, such as different amplification processes, to increase the impact of sustainability initiatives. Manthiou et al. (2022) investigate the effect of social networks, regional density, and networks for customer interaction on corporate sustainability initiatives and obtain specific results showing that companies with more networks for direct customer communication are more likely to adopt sustainability initiatives. Based on the explanation above, the researcher formulates the hypothesis:

H₃: Social network has a significant positive impact on sustainable business development.

Mediation Role of Social Network

The social network is one of the best tools for achieving optimal sustainable development because it organizes valuable resources such as building valuable connections, direction, and resource allocation in intensive systems, which then help individuals achieve individual and organizational

goals. Besides, social networking and sustainable business development gradually focus on the degree of closeness of the social mission and social innovation, which makes it possible to identify opportunities. This aligns with the previous study that social networks mediate the relationship between social mission, social innovation, and sustainable business development (Jiatong et al., 2021). Thus, the researcher proposes the following hypothesis:

H_{4a}: Social networks positively mediate the relationship between social mission and sustainable business development.

H_{4b}: Social networks positively mediate the relationship between social innovation and sustainable business development.

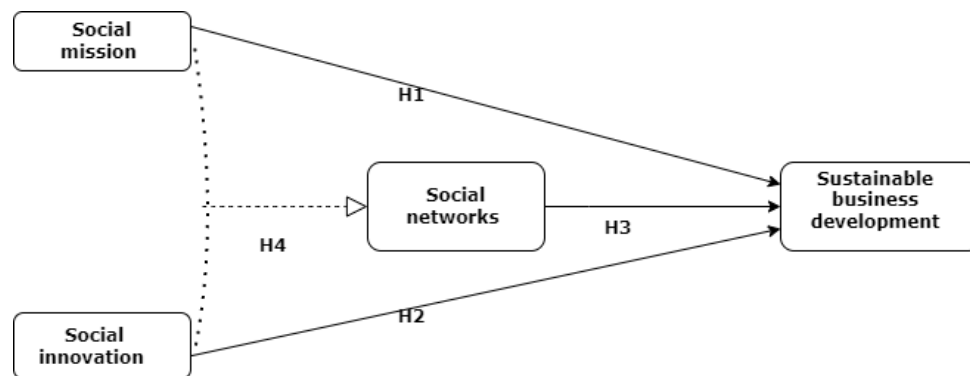


Figure 2. Research Model

Research Methods

This study is a field study using a survey method. The population in this study was tourist villages in the Bantul district. According to the D.I Yogyakarta Province Development Planning Board, the number of tourist villages in the Bantul district will reach 42 groups in 2022. The sample was determined using the saturated sampling technique. As the population was less than 100, all were involved as samples. Data were collected by distributing questionnaires to tourist village managers in the Bantul district. The questionnaire used a five-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree. Data were analyzed using quantitative analysis with the Partial Least Squares Structural Equation Modeling (PLS-SEM). As a quantitative analysis tool, PLS requires evaluation of the structural model (inner model) and measurement model (outer model) (Garson, 2016).

Table 1. Questionnaire Items

Variables and Code	Items Description Sources: (Jiatong et al., 2021; Javed et al., 2019)
Social Mission	
SM1	Our organization wants to participate in activities that solve social problems.
SM2	Our organization regularly checks for new opportunities and programs to improve the community.
SM3	Our organization tries to adhere to ethical and moral responsibilities.
SM4	Our organization needs to address social issues.
Social Innovation	
SI1	Our organization plans to address social problems in new and more efficient ways.
SI2	Our organization always looks for more effective solutions to social problems.
SI3	Our organization recommends that others have different but efficient ways to solve social problems.
SI4	Our organization always looks for a sustainable solution to a social problem.
Social Network	
SN1	Our organization has a good relationship with other organizations in the community.
SN2	We consider our customers and other actors in the community as our most important network partners.
SN3	Other organizations and people will help our organization in establishing new organizations to eliminate social problems.
SN4	If our organization takes any steps to eliminate social problems, the people and organizations around us will share their knowledge and resources.
SN5	Our organization's social network can spread information.

Variables and Code	Items Description Sources: (Jiatong et al., 2021; Javed et al., 2019)
Sustainable Business Development	
SBD1	Our company prioritizes unresolved social problems.
SBD2	Our organization communicates environmental risks and impacts to the public.
SBD3	Our company actively participates in Community Development Initiatives.
SBD4	Our organization provides/produces goods/services that are less harmful to the environment.
SBD5	Our organization provides/produces goods/services that are more environmentally friendly than competitors.
SBD6	Our organization provides/produces goods/services less damaging to the environment than in previous years.
SBD7	Our organization uses environmentally friendly production processes to dispose of waste.
SBD8	Our organization is responsible for managing the waste generated.
SBD9	Our organization is responsible for managing the hazardous waste generated.
SBD10	Our organization uses renewable resources.

Results and Discussion

Descriptive Analysis of the Respondents

The descriptive study of 42 respondents from tourism villages in Bantul indicates varied demographic and professional profiles. Regarding age distribution, 28.6% of respondents are between 31 and 40 years old, whilst 35.7%, the predominant group, are between 41 and 50. Individuals over 50 constitute 11.9%, while those aged 20 to 30 account for 23.8%. The gender breakdown is well balanced, with 52.4% male and 47.6% female respondents.

In the context of tourism village management, the predominant role is that of secretaries, accounting for 23.8%, followed by chairpersons at 19% and treasurers at 16.7%. Vice chairpersons constitute 14.3%, while members represent 11.9%; the remaining 14.3% fulfill other positions. Regarding educational attainment, 35.7% have completed secondary education, whilst 47.6% possess a bachelor's degree, constituting the majority. Furthermore, 11.9% of participants possess a master's degree, while 4.8% hold alternative educational levels.

The duration of tourism village operations differs, with 42.9% of villages functioning for 1 to 3 years, 35.7% for 4 to 7 years, and 21.4% for beyond 7 years. This analysis emphasizes a wide range of age, gender, educational qualifications, and professional jobs, illustrating the dynamic and diversified workforce propelling the tourism village efforts in Bantul.

Table 2. Characteristics of Research Respondents

	Category of Respondent Data	Frequencies (n=42)	Percentage (%)
<i>Gender</i>	Male	22	52.4
	Female	20	47.6
<i>Ages (years old)</i>	20 – 30	10	23.8
	31 – 40	12	28.6
	41 – 50	15	35.7
	>50	5	11.9
<i>Education Background</i>	High School	15	35.7
	Bachelor's degree	20	47.6
	Master	5	11.9
	Alternative educational levels	2	4.8
<i>Position in Tourist Village</i>	Member	5	11.9
	Secretaries	10	23.8
	Accounting	7	16.7
	Vice Chairman	6	14.3
	Chair	8	19
	Others	6	14.9
<i>Length of Tourist Village Operation (years)</i>	1 – 3	18	42.9
	4 – 7	15	35.7
	>7	9	21.4

Measurement Model

Model testing is a measurement model testing phase that aims to prove the validity and reliability of indicators and constructs. Some requirements are factor loading indicators higher than 0.7, average variance extracted (AVE) reflective constructs values higher than 0.5, Cronbach's Alpha values higher than 0.7, and composite reliability values higher than 0.7. The results of the measurement model can be seen in Table 3 below.

Table 3. Measurement Model

Constructs	Factor Loading	AVE	Cronbach's Alpha	Composite Reliability
<i>Social Innovation</i>		0.662	0.829	0.886
SI1	0.877			
SI2	0.843			
SI3	0.791			
SI4	0.735			
<i>Social Mission</i>		0.640	0.724	0.842
SM1	0.713			
SM2	0.822			
SM4	0.859			
<i>Social Network</i>		0.702	0.794	0.876
SN1	0.821			
SN2	0.867			
SN3	0.825			
<i>Sustainable Business Development</i>		0.667	0.916	0.933
SBD4	0.822			
SBD5	0.836			
SBD6	0.764			
SBD7	0.816			
SBD8	0.855			
SBD9	0.862			
SBD10	0.753			

Based on the results above, most factor loading values are higher than 0.7. However, some items, SM3, SN4, SN5, SBD1, SBD2, and SBD3, have values lower than 0.7, so they should be dropped and re-estimated.

Validity and reliability were tested in PLS using Cronbach's Alpha, composite reliability, and AVE methods. The table above shows that all items comply with the predetermined criteria. Thus, this model meets the requirements of validity and reliability.

Structural Model

The coefficient of determination (R²) was used to check the suitability of the structural model. A 0.67 percentage value of R Square (R²) is considered good. Values between 0.33 and 0.67 indicate a moderate model, and below 0.33 indicates a weak model (Sekaran & Bougie, 2016).

Table 4. Strength of the Model

Constructs	R Square	Adjusted R Square
Social Network	0.474	0.447
Sustainable Business Development	0.540	0.504

Table 4 shows the structural model's results: social networks have a value of 47.4%, and sustainable business development reaches 54%. This implies that the research model is moderate.

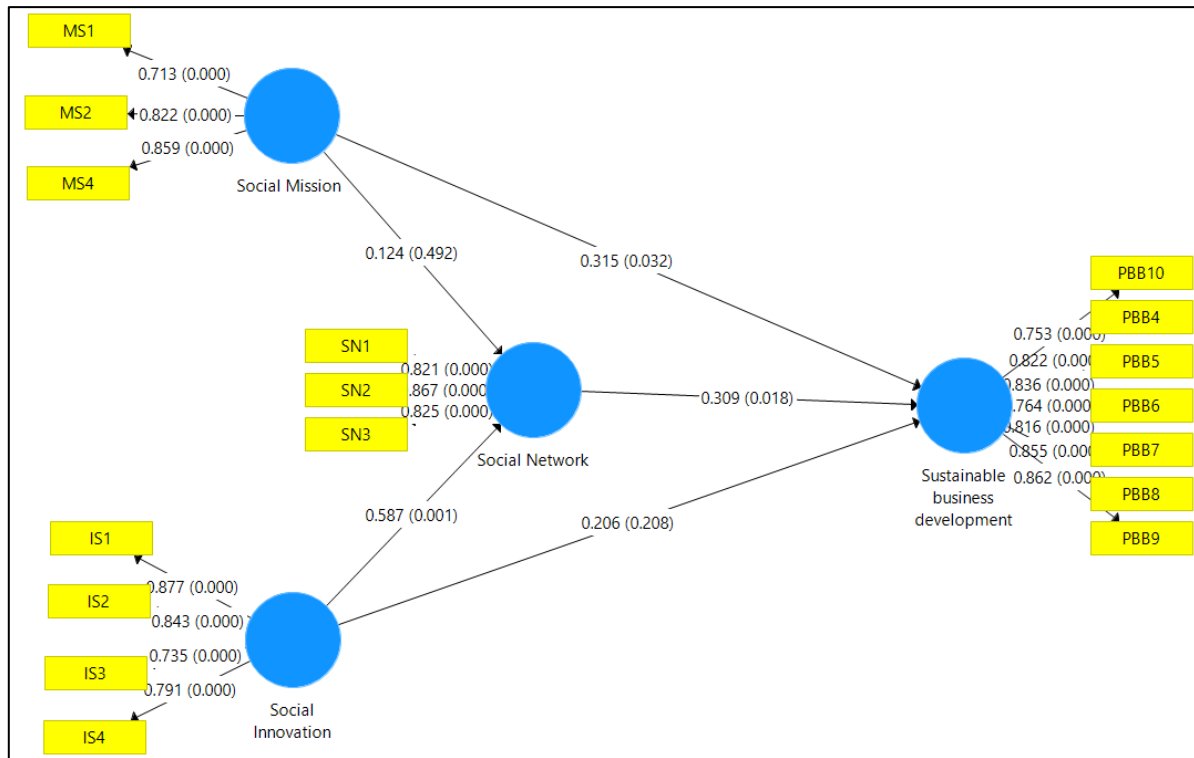


Figure 3. Path Coefficients and Hypotheses Testing

Table 5. Path Coefficients

Hypotheses	Relationships	Original Sample (β)	t-statistics	p-value	Decision
<i>Direct Effects</i>					
H1	SM → SBD	0.315	2.146	0.032*	Supported
H2	SI → SBD	0.206	1.261	0.208	Not Supported
H3	SN → SBD	0.309	2.374	0.018*	Supported
<i>Mediating Effects</i>					
H4a	SM → SN → SBD	0.038	0.634	0.526	Not Supported
H4b	SI → SN → SBD	0.369	2.847	0.005**	Supported

Note. SM=Social Mission; SI=Social Innovation; SN=Social Network; SBD=Sustainable Business Development. *p<0.05; **p<0.01; ***p<0.000.

The results showed that social mission significantly positively affected sustainable business development with $\beta=0.315$, $t=2.146$, $p=0.032 < 0.05$. So, H1 is accepted. In addition, social innovation has no significant effect on sustainable business development. The output shows that the value of $\beta=0.206$, $t=1.261$, $p=0.208 > 0.05$, thus H2 is rejected. Furthermore, social networks positively and significantly impact sustainable business development. It can be seen that the value of $\beta= 0.309$, $t=2.374$, $p=0.018 < 0.05$, thus H3 is accepted.

Table 5 shows that social network has no indirect effect on the relationship between social mission and sustainable business development with a value of $\beta=0.038$, $t=0.634$, $p= 0.526 > 0.05$. So, H4a is rejected. However, the social network indirectly affects the relationship between social innovation and sustainable business development with a value of $\beta=0.0369$, $t=0.2847$, $p=0.005 < 0.01$. So, H4b is accepted. This means that the social network variable can be said to be a mediator, for it influences the relationship between the independent and dependent variables.

Social Mission as a Key Driver of Sustainable Development

The results of this study reaffirm that a clearly defined social mission is a pivotal driver of sustainable business practices. Social entrepreneurs with a strong commitment to a social mission prioritize addressing societal and environmental challenges, aligning their initiatives with broader

sustainability goals. This finding aligns with prior research by Jiatong et al. (2021) and Javed et al. (2019), demonstrating that a well-articulated social mission directs resources and innovation toward addressing pressing community needs.

The social mission serves as a transformative force, enabling entrepreneurs to:

- a. Align business with community needs. In tourist villages, the social mission ensures that business practices address critical issues such as unemployment, underutilization of cultural assets, and environmental degradation.
- b. Foster innovation. Entrepreneurs motivated by social missions are more likely to reimagine traditional business models, integrating eco-tourism, cultural preservation, and community participation into their strategies.
- c. Build competitive advantage. A strong commitment to social goals enhances the enterprise's reputation and creates value for local communities, fostering stakeholder loyalty and trust.

This study also highlights the capacity of the social mission to promote resilience in rural communities by enabling them to adapt to changing economic and environmental conditions. Such findings underscore the importance of embedding social missions in business strategies to achieve long-term sustainable development.

The Role of Social Networks in Enhancing Sustainability

Social networks emerged as another critical factor influencing sustainable business development. The findings underscore the mediating role of social networks, which facilitate the flow of resources, knowledge, and support necessary for achieving sustainability. This is consistent with the social capital theory, which emphasizes the importance of trust, shared norms, and networks in enabling cooperation and resource sharing (Premadasa et al., 2023).

Access to resources and opportunities

Social networks provide entrepreneurs with access to funding, expertise, and strategic partnerships that are otherwise inaccessible. For example, strong social networks in tourist villages help entrepreneurs: a) identify opportunities in niche markets, b) leverage partnerships with government agencies and private investors, and c) access expertise to develop sustainable tourism practices. This finding aligns with Saha et al. (2018), who argue that networks act as a critical bridge between resource acquisition and entrepreneurial success.

Mediating social innovation

Social networks also mediate the relationship between social innovation and sustainable business development. By fostering collaboration and knowledge-sharing, networks create an environment conducive to the diffusion of innovative practices that address local challenges. This aligns with Aquino et al. (2018), who emphasize that social networks are vital for scaling social innovations in resource-constrained settings.

Building community trust and engagement

As a key component of social networks, trust enhances stakeholder collaboration and ensures that development initiatives are inclusive and equitable. By building community trust, social entrepreneurs can ensure long-term participation and support for their initiatives.

Implication and Conclusion

This study highlights the critical roles of social missions and social networks in driving sustainable business development, particularly in tourist villages. By aligning business strategies with community needs and leveraging the power of social networks, social entrepreneurs can create transformative change that addresses economic, social, and environmental challenges. The findings underscore the importance of adopting a holistic, community-driven approach to sustainability,

providing valuable guidance for policymakers, practitioners, and researchers seeking to promote inclusive and sustainable development.

This study contributes to the theoretical understanding of sustainable business development by integrating social capital theory and the triple bottom-line framework. The findings validate the theory's premise that social networks and trust facilitate cooperation and resource sharing. The study extends this theory by demonstrating its relevance in rural entrepreneurship, where networks mediate the impact of social innovation on sustainability. In light of the triple-bottom-line concept, this research also reinforces the necessity of balancing sustainability's economic, social, and environmental dimensions. It demonstrates that social missions and networks are instrumental in achieving this balance, particularly in rural contexts. By bridging these frameworks, the study offers a holistic perspective on how social entrepreneurship can address complex sustainability challenges in resource-constrained settings.

The findings offer actionable insights for policymakers, entrepreneurs, and community leaders:

- a. Embedding social mission in business strategies. Social entrepreneurs should prioritize missions aligning with local needs and long-term sustainability goals. For example, tourism initiatives in rural areas can integrate cultural preservation, environmental conservation, and economic inclusion to create a triple-impact approach.
- b. Strengthening social networks. Entrepreneurs and policymakers should cultivate social networks to enhance collaboration and resource sharing. Governments can facilitate this process by creating platforms for stakeholder engagement and incentivizing partnerships between local communities and private entities.
- c. Promoting inclusive development. Community participation should be a core element of development strategies. Empowering local stakeholders ensures that initiatives are culturally relevant, widely accepted, and more likely to succeed.

While this study provides valuable insights, certain limitations should be acknowledged: a) Geographical scope. The focus on tourist villages may limit the generalizability of the findings to other contexts, such as urban or industrial settings; b) Temporal scope. The study's cross-sectional nature restricts insights into the long-term impacts of social missions and networks on sustainability; and c) Quantitative metrics. Future research should explore standardized methods for quantifying entrepreneurship's social and environmental impact.

Future studies could expand on this research by investigating the role of digital networks in enhancing connectivity and resource mobilization, conducting comparative studies to examine the influence of social missions and networks across different industries and regions, and exploring the interplay between other dimensions of social capital, such as relational or cognitive components, and their impact on sustainable development.

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