Edelweiss Applied Science and Technology
ISSN: 2576-8484
Vol. 8, No. 1, 45-58
2024
Publisher: Learning Gate
DOI: 10.55214/25768484.v8i1.415

Social entrepreneurial orientation and social value of nonprofit organisation during crises

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Abstract: This study investigates the effect of social entrepreneurial orientation (SEO) on social value for nonprofit organisations (NPOs). SEO denotes a behavioural orientation and embodies a strategic entrepreneurial stance at the organisational level. NPOs practice SEO to ensure organisational sustainability due to resource constraints, especially during crises. The researchers gathered data from 159 NPOs registered under the Registrar of Society (ROS) in Malaysia through a survey questionnaire amid the global COVID-19 pandemic. For data analysis, we employed IBM SPSS 27 to gather organisational profiles. This study used the variance-based structural equation modelling approach via SMART PLS for hypothesis testing. This study treats SEO as a higher-order construct comprising five first-order dimensions of innovativeness, proactiveness, risk management, effectual orientation, and social mission orientation. The study's findings reveal that SEO significantly and positively influences social value, indicating that SEO improves the social service delivery of NPOs. This study contributes to the nonprofit literature by providing empirical evidence from the social resource-based view (SRBV) theory of the role of SEO on social value, specifically during the crisis. By understanding the role of SEO in value creation, NPOs and regulatory authorities can formulate more precise and impactful strategies to augment the social value of NPOs. Consequently, when NPOs remain sustained, they can continuously provide services to the affected and vulnerable community.

Keywords: *Nonprofit organisation, Social entrepreneurial orientation, Social value, Sustainability, Sustainable development.*

1. Introduction

Attaining sustainable development, as outlined in the United Nations' 2030 Sustainable Development Goals (SDGs), requires the dedicated commitment of stakeholders. Nonprofit organisations (NPOs), as key stakeholders, play a pivotal role in bridging social interests across sectors. They contribute significantly to delivering societal benefits by harmonising diverse interests across relevant sectors, as emphasised by Hassan, et al. [1]. NPOs primarily mobilise or distribute funds for 'good' purposes, such as charitable and educational purposes [2, 3]. Despite their significant role in addressing social, economic, and environmental issues, NPOs encounter challenges in maintaining sustainability, often due to their limited financial and non-financial resources [2, 4].

Resource constraints have become increasingly pronounced amid the COVID-19 crisis, posing a significant challenge for most NPOs as they deal with inadequate funding and resources, ultimately jeopardising their sustainability [5]. The government's inability to address all social issues intensifies the reliance on NPOs to provide essential social services, especially in mitigating the immediate and long-term impacts of COVID-19 [5]. The failure of NPOs to consistently deliver social services may result in numerous unattended social issues in society, posing a threat to SDG 2030. The significance of NPOs

History: Received: 5 September 2023; Revised: 27 November 2023; Accepted: 20 December 2023; Published: 27 December 2023
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becomes even more apparent in the present and post-COVID-19 eras, where there is a pressing need for rehabilitation and reconstruction across various facets to mitigate the pandemic's impact [6].

To tackle these challenges, NPOs respond to funding challenges by adopting social entrepreneurial orientation (SEO) [7-10]. The evolving environmental dynamics compel NPOs to embrace entrepreneurial and business-like strategies, fostering the development of sustainable organisations [11]. Social entrepreneurship is not merely a concept or an alternative; rather, it is a practical approach adopted by organisations and the business sector in response to innovative business models [12, 13]. Hence, entrepreneurship practice represents an organisational-level behaviour and involves creating value by combining resources in new ways [14].

When NPOs pursue SEO, there is a chance that financial objectives may take precedence over or conflict with the social mission [15, 16]. Stakeholders may perceive the overlapping goals between the social and financial objectives of NPOs as indicating a diversion from the organisation's mission [17]. Consequently, the emerging issue centres on how SEO affects social value. Gali, et al. [18] noted that assessing the impact of entrepreneurial orientation on organisational outcomes remains a challenge. Dwivedi and Weerawardena [19] also emphasised the need to study SEO in economically less-developed countries. Thus, further analysis of the relationship between SEO and the social value of NPOs is warranted.

According to da Silva and Bitencourt [20], possessing a competitive advantage entails having access to fundraising, achieving self-sustainability, and effectively accomplishing social goals. The emphasis lies on a mission-driven approach to fulfil NPOs' objectives [21], and this principle is closely aligned with the social resource-based view (SRBV). Therefore, in line with the principles of SRBV, this research explores how SEO affects the social value of NPOs amid the COVID-19 crisis. This study adds to the body of knowledge about nonprofit organizations by providing empirical evidence about the impact of SEO on the social value that NPOs produce, particularly in developing nations.

2. Literature Review

2.1. Social Resource-Based View Theory (SRBV) and Social Value in Nonprofit Organization

The resource-based view (RBV) highlighted that organisations possessing valuable core competencies are more likely to thrive in uncertain times than those lacking them [22]. SRBV is an extension of RBV that centres on social resources and addresses social constraints [12] through a mission-driven approach [21]. NPOs can attain a competitive advantage by effectively addressing social needs and overcoming community challenges [20]. This success is evident in the ability of the NPOs to fulfil organisational missions and deliver social services.

Social value creation reflects the success of social service delivery. Social value indicates the improvement of societal dimensions or resolution of social problems, including but not limited to health, education, community development, and environmental issues [12]. Social values signify the ongoing success of NPOs in consistently fulfilling their organisational mission, meeting social interests, and contributing to the sustained enhancement of impacted individuals, society, and the environment [12, 23].

2.2. Social Entrepreneurial Orientation (SEO)

Prior theories and research have suggested SEO as a key ingredient for organisational success [24]. SEO represents a strategic, behavioural, and organizational-level construct that denotes the 'how' of entrepreneurial behaviour [18, 19]. It is important to note that earlier studies on entrepreneurial orientation have been dominated by for-profit organisations, whereby entrepreneurial orientation has been conceptually developed and empirically tested to describe performance [25, 26]. NPOs are noticeably different from for-profit organisations [25], especially in their objectives and missions.

In response to these differences, Dwivedi and Weerawardena [19] conceptualised and operationalised the construct of social entrepreneurship by proposing a behavioural measure of SEO. Based on data from 507 key informants of US-based NPOs, they found five dimensions of SEO: innovativeness, proactiveness,

Edelweiss Applied Science and Technology
ISSN: 2576-8484
Vol. 8, No. 1: 45-58, 2024
DOI: 10.55214/25768484.v8i1.415

risk management, effectual orientation, and social mission orientation. Later, Lacerda Fabrício, et al. [27] conducted a systematic review and revealed that SEO is characterised by innovativeness, proactivity, risk-taking, autonomy, competitive aggressiveness, and reciprocity dimensions.

This study concurs with Dwivedi and Weerawardena [19], who represented entrepreneurial behaviour in NPOs as a strategic decision or organisational-level strategic entrepreneurial posture. This selection answers the call from Lurtz and Kreutzer [9], who encourage more research on entrepreneurship, focusing more on organisations rather than individuals. Consistent with Dwivedi and Weerawardena [19], SEO embodies a strategic entrepreneurial stance at the organisational level. In their study, SEO is viewed as a second-order reflective construct, encompassing five first-order dimensions of behavioural characteristics: innovativeness, proactiveness, risk management, effectual orientation, and social mission orientation.

Innovativeness features the achievement of the core mission and the creation of new revenue streams [15, 27]. It constitutes a crucial element of SEO as it mirrors the fundamental approaches through which organisations pursue new opportunities [24], resulting in innovation. Proactiveness involves dedicated action in bringing an idea to fruition, necessitating perseverance, adaptability, and tolerance for the potential of failure [27]. It reflects the willingness to act on new opportunities [28] and emphasises meeting demand [24] through forecasting and planning [29]. While innovativeness conveys novelty and invention, proactiveness involves implementing new actions that are mostly imitations [25].

According to Denison, et al. [30], risk refers to the unpredictability of outcomes that can be evaluated with probabilities. Managing risk has been identified as a key element of entrepreneurially oriented NPOs [29]. Socially entrepreneurial NPOs understand and measure risk differently than other sectors [10, 29]. Justified in the study by Lurtz and Kreutzer [9], low levels of financial risk-taking in the nonprofit context were observed due to NPOs prioritising their responsibility to stakeholders, particularly funders. Therefore, the risk management dimension is more relevant for the nonprofit context.

Innovativeness, proactiveness, and risk management are insufficient to measure SEO because they represent entrepreneurial behaviours oriented towards the context of a for-profit organisation. Gali, et al. [18]. Kraus, et al. [31] suggested the inclusion of social components concerning the organisation's strategy and motivation to focus on social values. In another study, Dwivedi and Weerawardena [19] stated that the dimensions of effectual orientation and social mission orientation emerged among the strongest SEO indicators besides innovativeness, proactiveness, and risk management.

Sarasvathy [32] stated that "effectuation processes take a set of means as given and focus on selecting between possible effects that can be created with that set of means." The researcher further elaborated that effective orientation includes managing potential losses, strategic alliances, obtaining pre-commitment from stakeholders, exploiting contingencies, and controlling unpredictable futures instead of predicting uncertain ones. In addition, the inclusion of the "social" element represented by social mission orientation dimensions portrays a unique feature of NPOs that prioritise social mission as the strategic focus. Lumpkin, et al. [8] mentioned that social mission orientation is important as social missions strengthen an organisation's SEO.

Competition for scarce resources among NPOs and for-profit organisations offering social services leads NPOs to practice SEO to cope with the competition [8]. In response to the competitive environment, NPOs must be more innovative and proactive and better manage the associated risks to ensure continuous delivery of social services [10]. Past studies found a positive association between SEO and organisational performance, profitability, and growth. Pearce, et al. [25]. Gali, et al. [18] concluded that social value creation results from implementing SEO behaviours via strategy and actions. They further noted that social investments would drive social advantages and create new circumstances that improve firms' financial performance in a socially entrepreneurial organisation.

McDonald, et al. [33] and Sinthupundaja, et al. [12] also highlighted that SEO could be considered an innovative process that enhances value creation to ensure the organisation's sustainability. As SEO represents a strategic resource for NPOs [34], the organisation's tendency to adopt innovation and consider risks will create more social value for the stakeholders [35]. Based on the above arguments, this

Edelweiss Applied Science and Technology
ISSN: 2576-8484
Vol. 8, No. 1: 45-58, 2024
DOI: 10.55214/25768484.v8i1.415

study predicts that SEO positively influences the social value of NPOs. Figure 1 encapsulates the research framework proposed for this study.

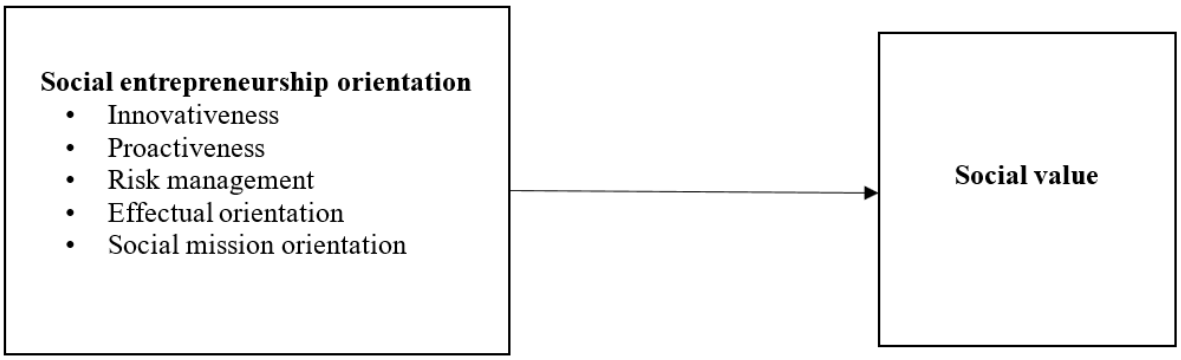

Figure 1.
Research framework.

3. Methods

The study's sample comprises charitable NPOs in Malaysia registered under the Registrar of Societies (ROS). Purposive sampling was employed, requiring respondents to be organisation members or leadership staff with a comprehensive understanding of the organisation, such as the chairman and project manager [36] or personnel in an equivalent position with more than five years of working experience [23]. The minimum required number of respondents for this study is 55, following the G*Power analysis with a power significance of 0.80 and an effect size of 0.15 [37]. The researcher received 167 completed responses out of 1,271 surveys sent to the NPOs. A total of 159 responses remained valid for subsequent data analysis after data screening. It is worth noting that the data collection process took place in 2021, during the global impact of COVID-19.

3.1. Instruments

This study employed interval scales in a 7-point numerical scale format, where one signifies "strongly disagree" and seven signifies "strongly agree". The items for SEO were adopted and adapted from Dwivedi and Weerawardena [19]. SEO exhibits five behavioural traits: innovativeness, proactiveness, risk management, effectual orientation, and social mission orientation. Consistent with Dwivedi and Weerawardena [19], SEO was considered a second-order reflective construct comprising five first-order dimensions of behavioural characteristics because five first-order behavioural characteristics reflect the full breadth of the SEO constructs found in NPOs.

Notably, the measurement items for social value were adapted from a few studies to suit this study's operational definition. Items adapted from Ceptureanu, et al. [23] measured the ability of NPOs to fulfil the organisational mission continuously. Items adapted from Seo [38] measured the NPOs' ability to fulfil social interests. Meanwhile, items adapted from Sinthupundaja, et al. [12] measured the sustained improvement and contribution to people, society, and the environment. The researchers consulted five expert panels among academicians and the panel industry to validate the measurement item.

3.2. Data Analysis

For hypothesis testing, this study employed variance-based structural equation modelling (PLS-SEM), which involves the assessment of the measurement model and structural model. We checked for common method variance (CMV) before these two assessments.

Edelweiss Applied Science and Technology
ISSN: 2576-8484
Vol. 8, No. 1: 45-58, 2024
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3.3. Common Method Variance Test

We looked at common method variance (CMV) using the correlation matrix procedure [39] and the partial correlation technique with marker variables because the data came from the same group of respondents. In the correlation matrix procedure, a correlation exceeding 0.9 among the primary constructs would suggest the presence of CMV, as purported by Bagozzi, et al. [40]. However, as depicted in Table 1, the data is devoid of CMV effects since the correlation among the key constructs was less than 0.9.

Table 1.
Latent variable correlation.

Construct	SEOE	SEOI	SEOP	SEOR	SEOS	SV
SEOE	1.000					
SEOI	0.746	1.000				
SEOP	0.715	0.848	1.000			
SEOR	0.796	0.754	0.800	1.000		
SEOS	0.849	0.677	0.680	0.766	1.000	
SV	0.722	0.660	0.644	0.702	0.684	1.000

Note: SEOE=Effectual orientation, SEOI=Innovativeness, SEOP=Proactiveness, SEOR=Risk management, SEOS=Social mission orientation, SV=Social value.

Meanwhile, the marker variable is a partial correlation technique to control common method biases. Since this study used a single survey instrument to collect information, it may artificially inflate the correlations among the variables [41]. Following Lin, et al. [42], three items were included in the same questionnaire as marker items. The value of R^2 was observed before and after adding the marker variable to examine whether there was substantial common method bias in the study [39]. Based on the result in Table 2, there was no significant difference in the R^2 value of the endogenous construct before and after partialling out the marker variable, as the differences were 0.033. Besides, the f^2 values were less than 0.35, suggesting another clue of no substantial common method bias in this study.

Table 2.
Comparison of R^2 value with and without marker variable.

Endogenous construct	R^2 value		Differences	f^2 value
	Without marker variable	With marker variable		
SV	0.570	0.603	0.033	0.083

4. Findings

4.1. Demographic Characteristics

Based on the results in Table 3, most of the participating NPOs have been in operation for a duration ranging from 5 to 10 years. About 20.1% of the respondents have an operational history of over 20 years, while only 4.4% operate within the 16- to 20-years timeframe.

Table 3.
Descriptive results.

Organisation age	Frequency	Percentage (%)
5-10 years	100	62.9%
11-15 years	20	12.6%
16-20 years	7	4.4%
More than 20 years	32	20.1%

Edelweiss Applied Science and Technology
ISSN: 2576-8484
Vol. 8, No. 1: 45-58, 2024
DOI: 10.55214/25768484.v8i1.415

4.2. Evaluation of the Reflective Measurement Model-Stage 1

SEO was conceptualised as a second-order reflective-constructive construct. In this study, the researchers employed the disjoint two-stage approach to assess the second-order construct of SEO. It is known that this method leads to better parameter recovery of paths that connect a higher-order construct to an endogenous construct in the path model [43]. Under the reflective model, the researchers conducted three assessments: internal consistency reliability, convergent validity, and discriminant validity. Upon preliminary assessment, it was observed that all loadings exceeded the recommended threshold of 0.708 [44]. Furthermore, all constructs met the minimum criteria for composite reliability (CR) and Average Variance Extracted (AVE), with all CRs exceeding 0.7 and all AVEs surpassing 0.5 [45]. Therefore, based on these results, all constructs were deemed to fulfil the reliability and convergent validity criteria, as illustrated in Table 4.

Table 4.
Analysis of the measurement model-stage 1.

Construct	Descriptions	Items	Loadings	CR	AVE
SEOE	"The tendency to astutely manage the limited resources at hand for attaining an optimum solution"Dwivedi and Weerawardena [19]	SEOE_1	0.900	0.939	0.794
		SEOE_2	0.894		
		SEOE_3	0.900		
		SEOE_4	0.869		
SEOI	"The tendency towards continually developing and promoting novel ideas or solutions to social needs and new ways of marketing and raising funds" Dwivedi and Weerawardena [19]	SEOI_1	0.910	0.952	0.831
		SEOI_2	0.899		
		SEOI_3	0.923		
		SEOI_4	0.915		
SEOP	"The tendency to actively scan the external environment, predict unexpected shocks, and prepare for future uncertainty" Dwivedi and Weerawardena [19]	SEOP_1	0.921	0.944	0.849
		SEOP_2	0.900		
		SEOP_3	0.942		
SEOR	"The tendency for identifying risks, taking manageable risks, making cautious resource commitments, and stringent project planning before allocating funds to a project" Dwivedi and Weerawardena [19]	SEOR_1	0.808	0.900	0.692
		SEOR_2	0.848		
		SEOR_3	0.794		
		SEOR_4	0.876		
SEOS	"The tendency of devotion to addressing social needs" Dwivedi and Weerawardena [19]	SEOS_1	0.855	0.926	0.806
		SEOS_2	0.931		
		SEOS_3	0.906		
SV	NPOs' ability to fulfil the organisational mission and social interests continuously and their sustained improvement and contribution to people, society, and the environment.	SV _1	0.736	0.927	0.680
		SV _2	0.809		
		SV _3	0.851		
		SV _4	0.901		
		SV _5	0.894		
		SV _6	0.741		

Next, discriminant validity was checked. This meant that indicators should have higher loadings on their own constructs than on other constructs in the model [46]. As depicted in Table 5, all reflective constructs demonstrated satisfactory discriminant validity, as the square root of AVE (Diagonal) exceeded the correlations (Off-diagonal).

Edelweiss Applied Science and Technology
ISSN: 2576-8484
Vol. 8, No. 1: 45-58, 2024
DOI: 10.55214/25768484.v8i1.415

Table 5.
Fornell & Lacker results.

Construct	SEOE	SEOI	SEOP	SEOR	SEOS	SV
SEOE	0.891					
SEOI	0.746	0.912				
SEOP	0.715	0.848	0.921			
SEOR	0.796	0.754	0.800	0.832		
SEOS	0.849	0.677	0.680	0.766	0.898	
SV	0.722	0.660	0.644	0.702	0.684	0.825

Table 6 illustrates a discriminant analysis approach that compares cross-loadings among constructs. According to the findings, each indicator exhibited a significant loading on its corresponding construct but a low loading on others, indicating discriminant validity.

Table 6.
Cross-loadings results.

Items	SEOE	SEOI	SEOP	SEOR	SEOS	SV
SEOE_1	0.900	0.680	0.668	0.738	0.779	0.707
SEOE_2	0.894	0.643	0.611	0.715	0.769	0.591
SEOE_3	0.900	0.695	0.671	0.716	0.753	0.649
SEOE_4	0.869	0.635	0.591	0.664	0.723	0.618
SEOI_1	0.709	0.910	0.800	0.717	0.674	0.633
SEOI_2	0.637	0.899	0.722	0.653	0.543	0.538
SEOI_3	0.702	0.923	0.775	0.685	0.656	0.624
SEOI_4	0.666	0.915	0.788	0.690	0.584	0.603
SEOP_1	0.605	0.787	0.921	0.735	0.565	0.578
SEOP_2	0.704	0.764	0.900	0.691	0.677	0.594
SEOP_3	0.665	0.792	0.942	0.785	0.636	0.607
SEOR_1	0.594	0.697	0.777	0.808	0.598	0.616
SEOR_2	0.706	0.582	0.633	0.848	0.659	0.608
SEOR_3	0.655	0.590	0.610	0.794	0.568	0.491
SEOR_4	0.697	0.636	0.635	0.876	0.713	0.605
SEOS_1	0.704	0.522	0.545	0.609	0.855	0.542
SEOS_2	0.804	0.652	0.652	0.700	0.931	0.660
SEOS_3	0.774	0.639	0.628	0.747	0.906	0.631
SV_1	0.486	0.487	0.388	0.454	0.477	0.736
SV_2	0.510	0.470	0.493	0.546	0.484	0.809
SV_3	0.563	0.547	0.547	0.518	0.520	0.851
SV_4	0.662	0.602	0.602	0.629	0.631	0.901
SV_5	0.715	0.602	0.624	0.687	0.670	0.894
SV_6	0.595	0.537	0.496	0.599	0.563	0.741

The third approach to assessing discriminant validity involves the Heterotrait-Monotrait ratio of correlations (HTMT) technique. A recommended threshold point for HTMT is 0.90 [47], with any value exceeding this indicating a lack of discriminant validity. Additionally, the HTMT confidence interval should not encompass 1. The PLS model in this study satisfied the HTMT requirement, as depicted in Table 7, where all values met the $HTMT_{.90}$ criterion [48], affirming the fulfilment of the HTMT requirement.

Edelweiss Applied Science and Technology
ISSN: 2576-8484
Vol. 8, No. 1: 45-58, 2024
DOI: 10.55214/25768484.v8i1.415

Table 7.
HTMT Criterion results.

Construct	SEOE	SEOI	SEOP	SEOR	SEOS	SV
SEOE						
SEOI	0.805 CI.90 (0.704,0.873)					
SEOP	0.781 CI.90 (0.674,0.847)	0.918 CI.90 (0.854,0.962)				
SEOR	0.902 CI.90 (0.847,0.946)	0.843 CI.90 (0.740,0.900)	0.906 CI.90 (0.827,0.954)			
SEOS	0.944 CI.90 (0.892,0.986)	0.740 CI.90 (0.621,0.824)	0.756 CI.90 (0.653,0.833)	0.879 CI.90 (0.799,0.929)		
SV	0.783 CI.90 (0.689,0.853)	0.713 CI.90 (0.601,0.792)	0.702 CI.90 (0.593,0.786)	0.787 CI.90 (0.691,0.856)	0.756 CI.90 (0.636,0.839)	

4.3. Evaluation of Reflective Measurement Model-Stage 2

The first part of the two-stage approach was to find the scores for the latent variables. In the second part, these scores were used as manifest variables for the higher-order constructs. The relationship between higher and lower-order components was interpreted in terms of loadings through reflective-reflective higher-order constructs. Consequently, it is imperative for the researchers to assess the internal consistency, reliability, convergent validity, and discriminant validity. As depicted in Table 8, both internal reliability and convergent validity have been confirmed.

Table 8.
Analysis of the measurement model-Stage 2.

Construct	Items	Loadings	CR	Cronbach's alpha	AVE
SEO	SEOE	0.915	0.956	0.942	0.812
	SEOI	0.896			
	SEOP	0.894			
	SEOR	0.915			
	SEOS	0.886			
SV	SV_1	0.735	0.927	0.905	0.681
	SV_2	0.811			
	SV_3	0.853			
	SV_4	0.902			
	SV_5	0.894			
	SV_6	0.739			

Subsequently, discriminant validity was evaluated. Table 9 indicates that the reflective construct exhibited satisfactory discriminant validity [46], as the square root of AVE (diagonal) exceeded the correlations (off-diagonal).

Table 9.
Fornell & Lacker results.

Construct	SEO	SV
SEO	0.901	
SV	0.760	0.825

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ISSN: 2576-8484
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Following the outcomes presented in Table 10, each indicator demonstrated a substantial loading on its respective construct while exhibiting a low loading on others. This distinction between constructs implies discriminant validity.

Table 10.
Cross-loadings results.

Items	SEO	SV
SEOE	0.915	0.721
SEOI	0.896	0.671
SEOP	0.894	0.644
SEOR	0.915	0.700
SEOS	0.886	0.683
SV_1	0.511	0.735
SV_2	0.559	0.811
SV_3	0.601	0.853
SV_4	0.698	0.902
SV_5	0.734	0.894
SV_6	0.617	0.739

The results of the HTMT Criterion, as shown in Table 11, confirmed the discriminant validity of the second stage measurement model as the criterion of HTMT.$_{90}$ [48], and HTMT inference has been fulfilled [47].

Table 11.
HTMT Criterion results.

Construct	SEO
SV	0.815 CI.90 (0.727, 0.880)

4.4. Goodness-of-Fit Index

To measure the goodness-of-fit in PLS-SEM, the researchers used the standardised root mean square residuals (SRMR) to quantify the disparity between the observed correlation and the correlation matrix implied by the model [49]. This model's saturated and estimated SRMR values were 0.049, signifying a good fit as they were below the threshold of 0.08 [50].

4.5. Evaluation of Structural Model

Using the Smart PLS 3.3.3 bootstrapping method to look at path coefficients showed that there was a statistically significant link between SEO and social value at the 0.01% level, with a t-value of 2.33 or more, as shown in Table 12. The confidence intervals of the bias-corrected upper and lower bounds also demonstrated significance, as the value 0 is not within the range of the confidence interval bias results. Consequently, this outcome substantiated the observed relationship.

The R^2 of 0.574 exceeded Cohen's recommended threshold of 0.26, signifying SEO substantially contributed to the R^2 for social value. The effect size f^2 was subsequently computed following Cohen [51] guidelines, where values of 0.02, 0.15, and 0.35 indicate small, medium, and substantial effects, respectively. The finding of effect size f^2 denoted substantial effect size. In addition, the researchers run the blindfolding process to evaluate the predictive relevance of the model. The Q^2 for social value was 0.381, indicating adequate predictive relevance as the value exceeded 0 [44, 52].

Table 12.
Hypothesis test results.

Relationship	Std beta	Std. error	t-value	Decision	R^2	f^2	Q^2
SEO -> Social value	0.76	0.048	15.892	Supported	0.574	1.364	0.381

5. Discussion and Conclusion

Significantly, the global impact of COVID-19 has had profound effects on people worldwide, particularly in developing countries. The significance of NPOs during the COVID-19 pandemic has heightened, with these organisations assuming diverse roles that leverage their strengths for the benefit of society [4]. Given the significant role of NPOs, ensuring their continuous delivery of social value to society is crucial. Nonetheless, sustaining the nonprofit sector poses a primary challenge, especially in obtaining financial and non-financial resources.

In response to these challenges, NPOs implement SEO strategies to ensure sustainability. Thus, grounded in SRBV, the current study examines the impact of SEO on the social value of NPOs during the COVID-19 crisis, particularly in developing countries. Similar to findings from studies by Gali, et al. [18] and Núñez-Pomar, et al. [53], this study shows that SEO significantly influences the social value of NPOs. This finding suggests that the goal of NPOs in practising SEO is to ensure that they can continuously fulfil their organisational mission and social interests for the benefit of stakeholders.

Adro and Fernandes [7] noted that NPOs chose to stick to their social mission accomplishments instead of prioritising generating monetary benefits. These findings proved that NPOs aim to accomplish a social mission by employing entrepreneurial approaches as their strategic focus. This finding is consistent with studies by Khan and Bashir [34] and Kraus, et al. [31], which emphasise that SEO helps NPOs achieve their social mission through entrepreneurial behaviour and activities. They further underlined that NPOs with an entrepreneurial mindset tend to solve social issues more effectively and innovatively. The increasingly competitive environment has forced NPOs to emphasise innovation in all their social value-creating activities [10]. Meanwhile, proactiveness reflects the ability of NPOs to take a leading role and take advantage of new opportunities [8, 28, 31].

Since the revenue of NPOs comes from diverse resources, uncertainty and increased competition for resources complicate NPOs in forecasting of revenue sources. Thus, managing risk is necessary. The emergence of effectual orientation aligns with the perspective that maintaining an economically viable organisation is a prerequisite for effectively delivering social value [19]. As effectual orientation indicates the ideal utilisation of available resources for attaining an optimal solution [19], social value creation is prioritised [31]. Overall, this study's findings reveal that implementing SEO could help NPOs deliver their organisational mission, thus fulfilling social value.

6. Research Implications and Limitations

As an emerging theory, discussions on SRBV theory are still limited and scarce. Accordingly, this study's findings help enrich the empirical data for SRBV. Incorporating the social dimension into SRBV provides a new perspective on how the social capabilities represented by SEO contribute to strategic competitive advantage, specifically in the nonprofit context. Most past studies discuss SEO from the RBV lens, focusing more on economic gain. Meanwhile, to ensure the appropriate theory is applied to the nonprofit context, this study adopted SRBV, which observes SEO as behaviour or strategic orientation, thus providing more valid context and precise findings. The findings of this study provide empirical evidence supporting the notion that SEO enhances the social value of NPOs. Remarkably, the five first-order behavioural characteristics analysed in this study can better capture SEO implementation due to the complexity and multifaceted environment that NPOs must face. Higher-order constructs produce more parsimony and reduce model complexity [44].

By understanding the components of SEO that influence social value, NPOs and regulatory bodies can concentrate on devising more precise and efficient strategies to enhance the SEO practices of NPOs. NPOs capable of consistently delivering social value can provide ongoing services to the affected and

Edelweiss Applied Science and Technology
ISSN: 2576-8484
Vol. 8, No. 1: 45-58, 2024
DOI: 10.55214/25768484.v8i1.415

vulnerable communities. This, in turn, will contribute to sustained improvements in the well-being of affected individuals, society, and the environment, thereby fostering sustainable development. The period from 2019 onward has seen changes in NPOs' operations and actions due to the impact of the COVID-19 pandemic. The response of stakeholders to these changes will indirectly shape the activities of NPOs and impact their strategic planning. The results of this study offer fresh perspectives on the implications of the COVID-19 crisis on NPOs' decision-making, acknowledging SEO practices as a strategy capable of enhancing the social value of NPOs from the standpoint of SRBV.

While this study offers valuable insights, it is essential to acknowledge certain limitations. The use of a cross-To address this, future research endeavours should consider adopting a longitudinal study approach, enabling a more nuanced evaluation of causality among the examined constructs, with due consideration of the impacts of the post-COVID crises. This research design restricts our ability to establish robust causal inferences. Furthermore, it is crucial to note that the findings primarily stem from respondents affiliated with charity NPOs registered under ROS. Consequently, the generalizability of these results may be limited to other types of NPOs, such as religious and education-based organisations. To enhance the applicability and breadth of the research, future researchers may explore replicating the study across different categories of NPOs and expanding its scope to encompass other developing and developed countries. Despite these constraints, the present study provides valuable insights for scholars and practitioners, especially those within the nonprofit sector and regulatory bodies. This knowledge contributes significantly to the continuous advancement of the nonprofit sector, with a specific focus on ensuring the effective delivery of social value to society.

Funding:
This research is supported by Universiti Teknologi MARA, Malaysia (Grant number: 600-TNCPI 5/3/DDF (AKAUN) (006/2023)).

Institutional Review Board Statement:
The Ethical Committee of the Universitas Padjajdjaran, Indonesia has granted approval for this study on 21 March 2023 (Ref. No. 537/UN6.WR3/TU.00/2023).

Transparency:
The authors confirm that the manuscript is an honest, accurate, and transparent account of the study; that no vital features of the study have been omitted; and that any discrepancies from the study as planned have been explained. This study followed all ethical practices during writing.

Competing Interests:
The authors declare that they have no competing interests.

Authors' Contributions:
All authors contributed equally to the conception and design of the study. All authors have read and agreed to the published version of the manuscript.

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Edelweiss Applied Science and Technology
ISSN: 2576-8484
Vol. 8, No. 1: 45-58, 2024
DOI: 10.55214/25768484.v8i1.415