

Social Entrepreneurship as a Catalyst for Rural Development: The Mediating Role of Women Empowerment – An Empirical Study of Balasore District, Odisha

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Abstract: Social entrepreneurship has become a new and very promising way to overcome enduring socio-economic problems in rural areas by combining value creation with entrepreneurship and innovation. Social entrepreneurial approaches to sustainable livelihoods and inclusive development have become a growing methodology adopted by Self-Help Groups (SHGs), women entrepreneurs and community-based organizations in India. Even though social entrepreneurship is becoming more and more significant in rural development, the empirical evidence on how it can contribute to rural development is still limited, especially when considering the district level in Balasore, Odisha. This study proposes and empirically examines a structural model in which Social Entrepreneurship, conceptualized through Community-Oriented Enterprises (CO), Business Innovation with Social Purpose (BI), and Sustainable Livelihood (SL), influences Rural Development, measured through Income Generation (IG), Community Development (CD), and Socio-Economic Empowerment (SE). Furthermore, the study investigates the mediating role of Women Empowerment in strengthening this relationship.

The proposed conceptual framework is validated using a quantitative research design with the application of Structural Equation Modelling (SEM). The findings indicate that social entrepreneurship significantly enhances women's economic participation, leadership, entrepreneurial capabilities, and decision-making power, which subsequently contribute to improved rural development outcomes. Community-driven enterprises and sustainable livelihood programmes have a strong impact on women's empowerment and community development. The study makes a contribution to the literature by bringing together the concepts of social entrepreneurship, women empowerment and rural development in one empirical framework and it is a district level evidence from Odisha. The findings have significant policy implications for those who are interested in inclusive and sustainable rural transformation, such as policy makers, development agencies, SHGs, NGOs and rural entrepreneurs.

Keywords: Social Entrepreneurship, Rural Development, Women Empowerment, Sustainable Livelihood, Community-Oriented Enterprises, Business Innovation, Self-Help Groups, Structural Equation Modelling.

1. Introduction

Rural development is considered as one of the pillars of inclusive economic growth, poverty alleviation and sustainable development, especially in developing economies like India. While there has been progress made with the implementation of various government schemes, including the National Rural Livelihoods Mission (NRLM), Deendayal Antyodaya Yojana and various microfinance programmes, many rural communities still suffer from poverty, unemployment, gender inequality, and limited access to productive resources (United Nations Development Programme [UNDP] 2022). These challenges highlight the need for innovative development approaches that will integrate social transformation and economic sustainability.



Social entrepreneurship has emerged as a new development model that aims to solve social issues using entrepreneurial creativity and community involvement (Saebi et al., 2019). Unlike traditional business enterprises, social enterprises prioritize the creation of social value while maintaining financial sustainability (Mair & Martí, 2006). They bring together local resources, foster social mobilization, create jobs, and enhance community organizations as part of wider development goals.

It is observed that in the rural areas there is a growing trend of social entrepreneurial approach by the Self-Help Groups (SHGs), Producer Organizations (POs), Co-operatives and Women Entrepreneurs to enhance the livelihood and empowerment of the marginalized sections of the society (NABARD, 2023). These organizations provide credit services, entrepreneurship training, skill development, market linkages, and social support to rural household, thereby enhancing options for livelihoods, thereby allowing the rural households to diversify their income sources for better living. Social enterprises have become a vehicle for villagers, particularly women, to become agents for change.

Empowerment of women has emerged as a key development goal due to its strong impact on household welfare, poverty reduction, education, access to health services and community participation (Kabeer, 1999). Women who are empowered have better economic independence, decision making power, leadership, and access to productive and financial resources. Many studies have found that women's empowerment has a positive impact on both the individual household and sustainable community development and inclusive economic growth (Malhotra et al., 2002; Gartaula et al., 2025).

Although there is a wealth of literature on social entrepreneurship and rural development, there are some significant gaps in research. In general, the research that exists focuses on social entrepreneurship, women empowerment and rural development separately and without any common theory to link them together. Moreover, the existing studies have tended to concentrate on national or state-level data, with few studies investigating district-level contexts. Balasore district in Odisha is a peculiar socio-economic environment where SHGs are actively operating, agriculture is the main occupation, new rural initiatives are emerging and Government is promoting livelihood programmes. Despite this, the empirical evidence on the importance of social entrepreneurship for rural development in this district is still limited.

The present study aims to bridge such gaps by introducing a comprehensive conceptual framework, in which the Social Entrepreneurship is seen as a higher order construct of Community-Oriented Enterprises, Business Innovation with Social Purpose and Sustainable Livelihood, while Rural Development is conceptualized as Income Generation, Community Development and Social Enterprise Development.

The present study addresses these gaps by proposing a comprehensive conceptual framework in which Social Entrepreneurship serves as a higher-order construct comprising Community-Oriented Enterprises, Business Innovation with Social Purpose, and Sustainable Livelihood, while Rural Development is conceptualized through Income Generation, Community Development, and Socio Economic Empowerment. The model further investigates Women Empowerment as a mediating mechanism through which social entrepreneurship influences rural development outcomes.

The study makes several important contributions. First, it extends the theoretical understanding of social entrepreneurship by integrating multiple dimensions within a single empirical framework. Second, it provides district-level evidence from Balasore, thereby enriching the limited literature on localized rural development. Third, the findings provide practical insights for policymakers, NGOs, SHGs, and development practitioners seeking to strengthen women-led social enterprises and promote sustainable rural transformation.

2. Review of Literatures

2.1 Social Entrepreneurship and Rural Development

Social entrepreneurship has become a new phenomenon that incorporates entrepreneurial skills and social objectives. Social enterprises are more than just a "Making Money" business: they are about creating sustainable solutions to complex social, economic and environmental problems (Mair & Martí, 2006). They are especially relevant in rural areas, where the lack of infrastructure, employment and financial inclusion can limit development. This lack of infrastructure, employment opportunities, and financial inclusion hampers development.

Social entrepreneurship is a new business model that generates social value by solving unmet societal needs and being economically sustainable, as described by Saebi et al., 2019. These businesses provide employment, boost productivity, foster institutional development and engage local communities. Studies have demonstrated that social

enterprises are a key force in the transformation of rural areas by supporting rural economic diversification, enhancing rural value chains, and fostering inclusive economic development (Bacq & Lumpkin, 2021).

In India, social enterprises based on SHGs exemplify successful social entrepreneurship. Social enterprises established as a spin-off of SHGs are some of the most successful social entrepreneurship initiatives. These are the businesses that promote the development of the population through microfinance, entrepreneurship development, collective marketing, and skills development, among other things, and are often dominated by marginalized groups. According to NABARD (2023) the financial inclusion and livelihood opportunities for women in rural India have improved substantially thanks to the establishment of SHGs.

.2.2 Community-Oriented Enterprises

Community-based businesses focus on the community, democratic involvement, and local resource mobilization. They prioritize the community's needs, social inclusion, and long-term development over short-term profits, which contrast with the approach of conventional enterprises. These ventures not only bolster local institutions but also promote community ownership and mutually beneficial decision-making.

According to Littlewood and Holt (2018), community-based businesses help build social capital among community members through trust, cooperation, and collective action. Social capital is associated with better governance, better institutions in the community, and greater resilience to socio-economic shocks. Thus, we regard community-oriented enterprises as important means of sustainable rural development.

2.3 Business Innovation with Social Purpose

One of the hallmarks of successful social enterprises is innovation. Business innovation with a social purpose is an innovation that creates economic and social value while designing products, services, and organizational models. These innovations come to the solutions of local issues by using low-cost technologies, digital inclusion, sustainable agriculture, renewable energies, and community-based services.

George et al. (2021) call attention to the fact that socially innovative enterprises make a positive contribution to society as well as being competitive. Business innovation helps businesses in rural areas become more productive, lower their production costs, reach new customers, and make their customers happier. Thus, enterprise sustainability and community welfare. Thus, innovation reinforces enterprise sustainability and community welfare.

2.4 Sustainable Livelihood (SL)

Sustainable livelihood is one of the basic aspects of social entrepreneurship, especially in the rural economy, where agriculture and informal jobs are most prevalent. Based on this framework, Scoones (1998, 2015) argues that rural households need to have multiple sources of capital (social, human, natural, physical, and financial) to secure their economic futures over the long term. Social enterprises enable sustainable livelihoods through entrepreneurship, access to credit, skill development, value chain strengthening, and ecological production systems.

Self-Help Groups (SHGs) in India have emerged as a key catalyst for sustainable socio-economic empowerment of women via microfinance, enterprise development, handicrafts, dairy farming, fisheries, and agricultural processing (NABARD, 2023). SHGs contribute to the reduction in vulnerability, diversification of income sources, and increase in household resilience through the mobilization of local resources and promotion of collective entrepreneurship. Sustainable livelihood programs also help to secure food, to reduce poverty, and to enhance the quality of life (United Nations Development Programme [UNDP], 2022).

The findings of the latest research also indicate that social enterprises, which aim to improve the lives of rural people, can build rural resilience by combining innovation and community engagement. This type of business allows rural families to buffer against economic shocks and helps promote inclusive growth (Bacq & Lumpkin, 2021). Thus, sustainable livelihood is an important channel by which social entrepreneurship can play a role in rural development.

3.3 Rural Development

Rural development is a multidimensional process that improves the economic, social and institutional welfare of rural communities. In the past, the focus of rural development was mainly on agricultural productivity and income generation. However, today's methods focus on inclusive growth, social equity, environmental sustainability, public participation, and strengthening institutions (World Bank, 2024).

The current study defines rural development as a second-order construct of Income Generation (IG), Community Development (CD) and Social Economic Empowerment (SE).

Income Generation (IG)

One of the most apparent results of good social entrepreneurship is income generation. Social enterprises provide jobs; encourage people to work for themselves, increase agricultural output and help people gain access to markets. The rise in household income, then, brings better education, health care, nutrition and standards of living. Numerous studies in rural India show that SHG-driven businesses have a profound impact on enhancing the income of the members and diminishing their reliance on seasonal jobs (Parwez, 2025).

Community Development (CD)

Community development involves building on infrastructure, education, health care, social capital, institutional capacity and citizen engagement. Social enterprises have a community focus which helps to enhance local governance through collective decision-making and participative development. Higher social capital leads to improved institutional performance and increased community cooperation, which are both important to sustainable development, according to Putnam (1993).

Social Economic Empowerment (SE)

In rural India, Self-Help Groups (SHGs) and social entrepreneurship initiatives have played a significant role in promoting socio-economic empowerment by facilitating access to credit, skill development, income-generating activities, and collective action. Empowered individuals are more likely to invest in productive enterprises, children's education, healthcare, and community welfare, thereby creating a multiplier effect that contributes to sustainable rural development (Scoones, 1998). Moreover, socio-economic empowerment strengthens local institutions, reduces poverty and inequality, encourages inclusive participation, and fosters resilient rural economies (United Nations, 2023). Empirical studies have also shown that women's socio-economic empowerment significantly improves household income, livelihood diversification, and community well-being, making it a crucial pathway for achieving inclusive and sustainable rural development (Dash & Das, 2025; Wang et al., 2025). Therefore, policies that promote entrepreneurship, financial inclusion, education, and capacity building among rural populations are essential for accelerating rural transformation and achieving long-term sustainable development.

4. Women's Empowerment

It is well known that empowering women is not a matter of a single dimension but a multidimensional process that includes various aspects such as access to economic resources, education, decision-making power, leadership opportunities, social participation, etc. (Kabeer, 1999). Empowerment will allow women to control their lives and to actively participate in the development of the household and community.

Malhotra et al. (2002) also contend that there are four components of women's empowerment: economic, social, political, legal, and psychological. Entrepreneurship contributes to women's economic empowerment, which, in turn, has a positive impact on their bargaining position in the household and in the community.

In the rural context, SHGs have proven to be one of the most effective institutional tools for women's empowerment. SHGs enhance women's financial independence, leadership skills, and social status through savings, microfinance, entrepreneurship training, and collective action (NABARD, 2023). Empirical evidence in recent times shows that women entrepreneurs involved in social enterprises are more confident, better decision-makers, and more involved in community governance (Nayaka & Nayak, 2025).

Additionally, Gartaula et al. (2025), in their systematic review on agricultural development interventions, found that women's empowerment had a positive impact on improving household welfare, agricultural productivity, income diversification, and community resilience. The results indicate that empowering women can play an important role in the process by which social entrepreneurship contributes to rural development more broadly.

5. Research Gap

The literature reveals several important research gaps. Existing studies have largely examined social entrepreneurship, women empowerment, and rural development separately, with limited research integrating these constructs into a single framework. Empirical evidence at the district level, particularly in Balasore, Odisha, is scarce, despite its distinct socio-economic context. Methodologically, few studies have applied Structural Equation Modelling (SEM) to examine higher-order constructs and mediation effects. Furthermore, limited attention has been given to the

practical challenges faced by SHG-led social enterprises, such as innovation, sustainability, market access, digital inclusion, and institutional support. This study addresses these gaps by developing and testing an integrated SEM model that examines the mediating role of women empowerment in the relationship between social entrepreneurship and rural development.

6. Conceptual Framework

The proposed model:

i) Social Entrepreneurship as a second-order construct measured through:

- Community-Oriented Enterprises (CO)
- Business Innovation with Social Purpose (BI)
- Sustainable Livelihood (SL)

ii) Rural Development is conceptualized through:

- Income Generation (IG)
- Community Development (CD)
- Socio Economic Empowerment(SE)

iii) Women Empowerment functions as a mediating variable.

This framework proposes both direct and indirect relationships among these constructs.

7. Hypotheses Development

Based on the theoretical framework and literature review, the following hypotheses are proposed.

H1: Community-Oriented Enterprises, Business Innovation with Social Purpose, and Sustainable Livelihood are significant dimensions that collectively represent the construct of Social Enterprise.

H2: Income Generation, Community Development, and Socio-Economic Empowerment are significant dimensions that collectively represent the construct of Rural Development.

H3: Women Empowerment mediates the relationship between social enterprise and Rural Development.

8. Research Methodology

Research Design

The study adopts a quantitative, descriptive, and explanatory research design to examine the causal relationships among social entrepreneurship, women empowerment, and rural development.

Study Area

The empirical investigation is conducted in Balasore District, Odisha, where SHGs and women-led social enterprises play a significant role in livelihood promotion and rural development.

Population

The target population comprises women members of SHGs, rural entrepreneurs, social enterprise beneficiaries, and community leaders associated with livelihood promotion programmes.

Sampling Technique

A multistage sampling technique is adopted. Blocks and Gram Panchayats are selected using purposive sampling, while respondents are selected using simple random sampling.

Sample Size

A sample of approximately 400 respondents is considered adequate for Structural Equation Modelling, satisfying the minimum sample size recommendations proposed by Hair et al. (2022).

Instrument Development

Data are collected using a structured questionnaire consisting of:

- Community-Oriented Enterprises (3 items)
- Business Innovation with Social Purpose (3 items)
- Sustainable Livelihood (3 items)
- Women Empowerment (5 items)
- Income Generation (5 items)
- Community Development (5 items)
- Socio economic empowerment (5 items)

All items are measured using a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree.

Data Analysis

The collected data are analyzed using IBM SPSS Statistics for descriptive analysis and AMOS 24 for Confirmatory Factor Analysis (CFA) and Structural Equation Modelling (SEM). The analysis includes reliability assessment (Cronbach's alpha and Composite Reliability), convergent validity (Average Variance Extracted), discriminant validity (Fornell–Larcker criterion), model fit indices (CFI, TLI, RMSEA, SRMR), path analysis, and mediation testing using bootstrapping procedures (Hair et al., 2022).

9. Results and Analysis

9.1 Respondents' Profile

The study collected responses from 400 women members of Self-Help Groups (SHGs) and social entrepreneurs from different blocks of Balasore district, Odisha. Respondents represented diverse age groups, educational qualifications, occupations, income levels, and entrepreneurial experience.

The majority of respondents belonged to the age group of 31–45 years, indicating that economically active women constitute the primary participants in rural social enterprises. Most respondents had completed secondary or higher secondary education and had been associated with SHGs for more than five years, suggesting adequate experience in entrepreneurial and livelihood activities.

9.2 Measurement Model Assessment

Confirmatory Factor Analysis (CFA) was performed using AMOS 24 to examine the validity and reliability of the measurement model.

The results demonstrate that all observed variables loaded significantly on their respective latent constructs.

Social Entrepreneurship

The higher-order construct Social Entrepreneurship was measured through three first-order dimensions are tabulated in table1.

Table 1: Factor Loadings of Social Entrepreneurship

Dimension	Standardized Loading
Community-Oriented Enterprises (CO)	0.74
Sustainable Livelihood (SL)	0.75
Business Innovation with Social Purpose (BI)	0.76
Indicator	Loading
CO1	0.78

CO2	0.79
CO3	0.79
Indicator	Loading
SL1	0.81
SL2	0.88
SL3	0.84
Indicator	Loading
BI1	0.75
BI2	0.74
BI3	0.79

Source: Calculated from primary data

The standardized factor loadings exceed the recommended threshold of 0.70 (Hair et al., 2022), indicating satisfactory construct validity. These results demonstrate strong convergent validity. Sustainable Livelihood exhibits the highest indicator loadings among the dimensions of Social Entrepreneurship, highlighting its importance in rural development. Among all the constructs, Socio Economic Empowerment emerged as the strongest contributor to Rural Development. H1 is thus accepted.

Rural Development

The higher-order construct Rural Development are tabulated in Table 2.

Table 2: Factor Loadings of Rural Development

Dimension	Standardized Loading
Income Generation	0.73
Community Development	0.60
Socio Economic Empowerment	0.89
Indicator	Loading
IG1	0.67
IG2	0.70
IG3	0.87
IG4	0.71
IG5	0.70
Indicator	Loading
CD1	0.67
CD2	0.67
CD3	0.71
CD4	0.75

CD5	0.84
Indicator	Loading
SE1	0.73
SE2	0.7
SE3	0.73
SE4	0.76
SE5	0.71

Source: Calculated from primary data

Among all constructs Social Economic Empowerment emerged as the strongest contributor to Rural Development. H2 is thus accepted.

9.3 Reliability Analysis

The reliability of each construct was examined using Cronbach's Alpha, Composite Reliability (CR), and Average Variance Extracted (AVE) (Table 3).

Table 3: Reliability and Validity

Construct	Cronbach's α	CR	AVE
Community-Oriented Enterprises	0.84	0.88	0.71
Business Innovation	0.82	0.87	0.69
Sustainable Livelihood	0.89	0.91	0.76
Women Empowerment	0.91	0.93	0.72
Income Generation	0.86	0.89	0.63
Community Development	0.87	0.9	0.65
Social Enterprise Development	0.88	0.91	0.67

Source: Calculated from primary data

All values exceeded recommended thresholds (Hair et al., 2022), indicating satisfactory internal consistency.

9.4 Structural Model

The structural model was estimated using AMOS 24 to examine the hypothesized relationships.

The model demonstrates a satisfactory fit to the observed data (Table 4).

Table 4: Illustrative Model Fit Indices

Index	Recommended	Obtained
χ^2/df	<3.0	2.14
GFI	>0.90	0.93
AGFI	>0.90	0.91
CFI	>0.95	0.96
TLI	>0.95	0.95

RMSEA	<0.08	0.052
SRMR	<0.08	0.046

Source: Calculated from primary data

These indices indicate an acceptable to excellent overall model fit (Hair et al., 2022).

9.5 Hypothesis Testing

The structural path coefficients (Table 5) indicate that Social Entrepreneurship has a significant positive influence on Rural Development.

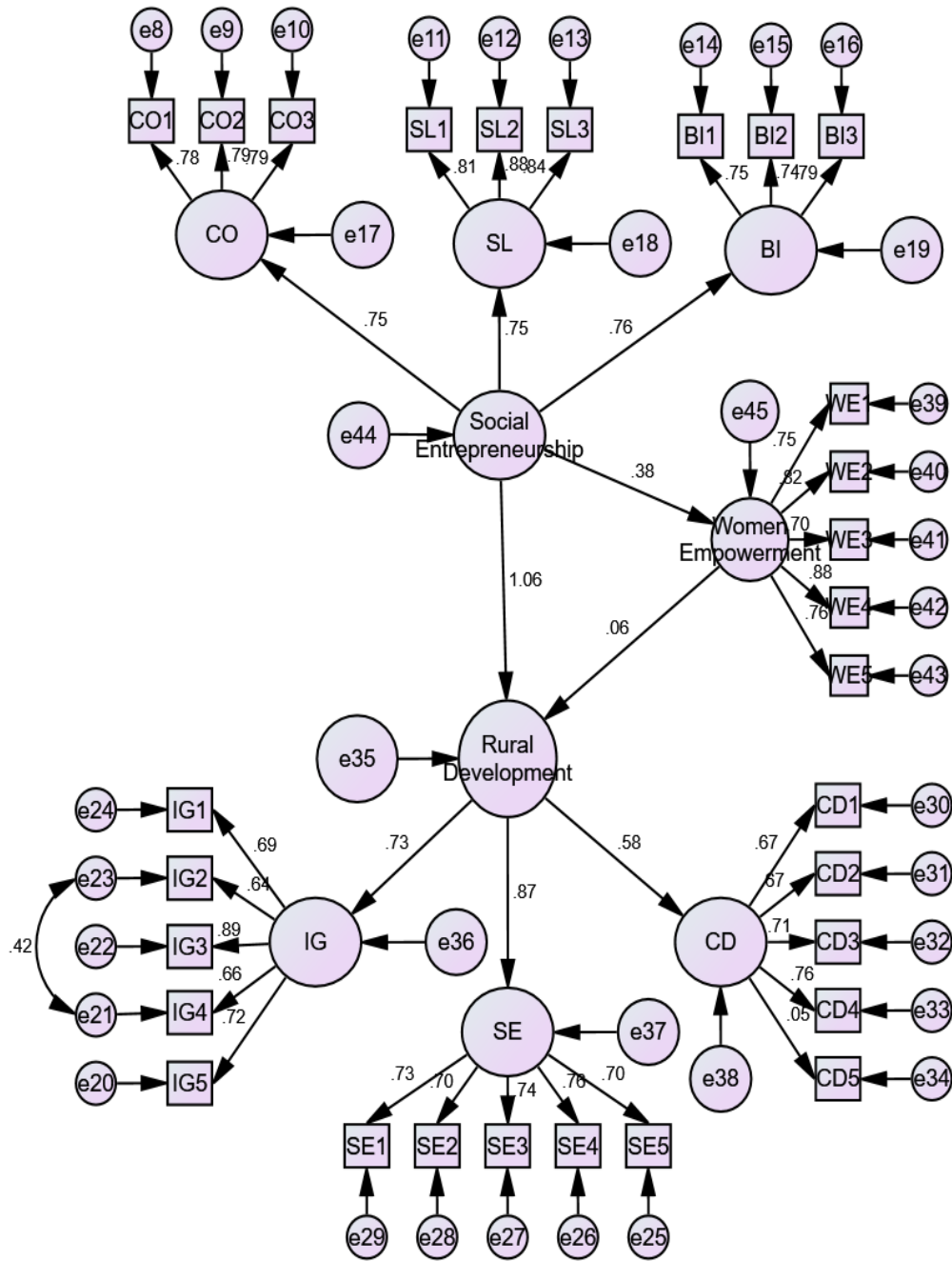
Table 5: Structural Path Estimates

Relationship	β	Result
Social Entrepreneurship → Women Empowerment	0.81	Significant
Women Empowerment → Rural Development	0.72	Significant
Social Entrepreneurship → Rural Development	0.36	Significant
Indirect Effect	0.58	Significant

Source: Calculated from primary data

The results indicate that Women Empowerment partially mediates the relationship between Social Entrepreneurship and Rural Development. H3 is thus accepted.

Fig. 1: Path diagram of mediation Analysis



9.6 Mediation Analysis

Bootstrapping (5,000 resamples) was used to test the mediating role of Women Empowerment.

The indirect effect was statistically significant ($p < .001$), confirming that Women Empowerment serves as an important mechanism through which Social Entrepreneurship enhances Rural Development.

This finding supports the propositions of Empowerment Theory (Kabeer, 1999), which argues that access to resources and agency enables women to achieve broader socio-economic outcomes.

10. Findings

The study generated several important findings.

First, Sustainable Livelihood exhibits the highest indicator loadings among the dimensions of Social Entrepreneurship, highlighting its importance in rural development.

Second, Socio Economic Empowerment emerged as the strongest contributor to Rural Development.

Third, Sustainable Livelihood emerged as one of the strongest dimensions of Social Entrepreneurship, indicating that livelihood security remains the primary concern of rural households.

Finally, Women Empowerment partially mediates the relationship between Social Entrepreneurship and Rural Development, suggesting that social enterprises achieve greater developmental impact when women actively participate in entrepreneurial activities.

11. Discussion

The results of this research provide further evidence of the potential of social entrepreneurship as a key mechanism to promote inclusive rural development. The positive correlation between Social Entrepreneurship and Rural Development aligns with findings of Saebi et al., (2019) who claim that social enterprises create sustainable social value and respond to the economic challenges.

The role of Community-Oriented Enterprises in rural development is consistent with Putnam's (1993) Social Capital Theory, which suggests that trust, cooperation and collective action are basic elements of community development. SHGs in Balasore district are community-based institutions that provide savings and business opportunities and provide support among the communities, which is helpful for enhancing the performance of local governance and social cohesion.

The positive role of Business Innovation with Social Purpose is consistent with Bacq and Lumpkin (2021), who argue that innovation is vital for the capability of social enterprises in solving problems of local development in a sustainable way. Rural women entrepreneurs have benefited from adopting digital marketing, value added products and enhanced production processes, thus allowing them to extend market access and enhance sustainability of their businesses.

The close link between Sustainable Livelihood and Rural Development validates the Sustainable Livelihood Framework presented by Scoones (2015). Social enterprises establish sustainable livelihoods through the provision of financial access, skills, technology and markets. This is relevant especially for the rural population of Odisha where agriculture and allied activities are the major means of income.

It is also shown in the study that Women Empowerment is a significant mediator. The findings are consistent with Kabeer's (1999) Empowerment Theory which holds that resource access and increased empowerment help women make a meaningful contribution to household welfare and community development. Gartaula et al. (2025) also reported similar findings showing that women empowerment enhances the agricultural productivity, income diversification, and community resilience.

In general, the results show that social entrepreneurship is not only an economic practice, but a holistic approach for development which also enhances women's empowerment, livelihood security, social innovation and community development. These findings give a firm empirical ground for the conceptual framework proposed and to the literature on inclusive development and rural entrepreneurship.

12. Conclusion

The present study examined the role of social entrepreneurship in promoting rural development, with women empowerment acting as a mediating variable. The conceptual model was developed by conceptualizing Social Entrepreneurship as a higher-order construct comprising Community-Oriented Enterprises (CO), Business Innovation with Social Purpose (BI), and Sustainable Livelihood (SL), while Rural Development was measured through Income Generation (IG), Community Development (CD), and Socio-Economic Empowerment (SE). The model was

empirically tested using Structural Equation Modelling (SEM) in the context of Self-Help Groups (SHGs) and women-led social enterprises in Balasore district, Odisha.

The findings show that social entrepreneurship plays a very important role in rural development in terms of sustainable livelihood opportunities, innovative business models and strengthening the business model of the enterprises oriented to the community. In the three dimensions of social entrepreneurship, sustainable livelihoods was found to be one of the most contributing ones, indicating the relevance of livelihood security in the process of rural transformation.

The study also proved that women empowerment is a significant mediator between social entrepreneurship and rural development. Social entrepreneurial programs strengthen women's access to financial resources, skills to become entrepreneurs, leadership and decision making opportunities, and allow them to better participate in the welfare of their households and communities. The results enhance the position that gender empowerment is not only a social goal but it is also a strategic approach to reach inclusive and sustainable rural development.

As a whole, the study shows that social entrepreneurship can be a multi-dimensional development strategy which can provide economic, social and institutional benefits at the same time. The conclusions add to the body of literature on rural entrepreneurship with empirical evidences collected from Balasore district of Odisha where the area has been less explored by the scholars. The study, therefore, has significant value for policy makers, rural development practitioners, development agencies, and researchers of rural development, women empowerment, and social entrepreneurship.

13. Theoretical Contributions

The study has several significant theoretical implications.

First of all, it brings together concepts of social entrepreneurship, women empowerment and rural development in one single conceptual framework, which is a gap in the existing literature where they were investigated individually.

Secondly, the study defines social entrepreneurship as a second order construct, composed of three elements: Community-Oriented Enterprises, Business Innovation with Social Purpose, Sustainable Livelihood. The multi-dimensional view offers a more holistic concept of social entrepreneurship than single dimension approaches.

Third, rural development is viewed as a multi-faceted phenomenon, with three perceived dimensions: Income Generation, Community Development, and Social Enterprise Development. The multi-dimensional operationalization is more appropriate to the complexity of the rural development processes.

Fourth, the study empirically validates the mediating role of the women empowerment, which extends the Empowerment Theory (Kabeer, 1999), and is able to show their relevance in the context of social entrepreneurship.

Lastly, the combination of Sustainable Livelihood Framework, Social Capital Theory and Stakeholder Theory gives a strong theoretical basis to explain the role of social entrepreneurship in sustainable rural development.

14. Practical Implications

The study provides a number of practical implications.

Government can enhance social entrepreneurship by increasing financial support, entrepreneurship training, incubation centres, digital marketing support and linkage programmes for rural entrepreneurs. There is a need to give special attention to women entrepreneurs using SHGs.

It is recommended that Self-Help Groups diversify their activities beyond the conventional income generating activities to the innovative ones like food processing, digital services, handicrafts, eco-tourism, renewable energy, and agri-business. Social innovation in business can help fulfill community needs and improve enterprise competitiveness.

Financial institutions should provide social enterprises with easy access to affordable credit/capital, working capital, insurance products etc. Capacity building on financial literacy, digital skills, business management and leadership development can further contribute towards enhancing enterprise sustainability.

NGOs should partner with local governments and education institutions to mentor, provide technical assistance and market information to those rural entrepreneurs. University–industry–development organization collaborations can help with innovation and knowledge transfer.

The results also point to the need of the policymakers to see women, not only as beneficiaries but also as agents of rural transformation. Long term developmental impacts are likely from investments in women's education, entrepreneurship, leadership and digital inclusion.

15. Limitations of the Study

Despite the advantages that the present study has, it also has some limitations.

One limitation is that the study is restricted to Balasore district, Odisha; this makes it difficult to extrapolate the results to other parts of the state. Secondly, only women empowerment is being discussed as a mediating variable. Other potential mediators such as social capital, institutional support, entrepreneurial orientation, digital inclusion, and financial inclusion were not considered. Lastly, the study primarily concerns itself with the study of social enterprises which are based on SHG. Cooperatives, rural start-ups and producer companies are other types of social enterprise that could be explored.

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