HARMONIOUS SOCIAL ENTREPRENEURSHIP: A BUSINESS INNOVATION MODEL FOR EMPOWERING INDONESIAN COMMUNITIES THROUGH RELIGIOUS ORGANIZATIONS

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Abstract

Religious organizations possessed significant potential for community empowerment through social entrepreneurship practices. Although social entrepreneurship had emerged as a strategy within religious institutions to bolster congregational and community economies, it had yet to garner adequate attention. This study aimed to identify social entrepreneurship implementations, explore challenges, and formulate a suitable social entrepreneurship model within the context of religious organizations. The research was conducted within a religious organization in North Sulawesi, Indonesia. The findings suggested that achieving harmonious social entrepreneurship in Indonesia required an inclusive, collaborative stakeholder approach and increased NGO involvement through mentoring roles in entrepreneurial activities. Through a business innovation model integrated into religious organizations, community well-being could be achieved by synergizing entrepreneurship and spiritual values.

Keywords: Social entrepreneurship, business innovation, religious organizations, community empowerment.

Introduction

In the past decade, churches have begun to engage in social initiatives. As a community of believers, the church has moved away from a mindset that prohibits all business forms and has started to develop them. This prohibition initially arose because the church is a place of worship rather than a business venture. However, the situation changed when churches encountered congregants in distress. As a result, the focus shifted towards sustaining services, which became the church's responsibility (Siwarto, 2022). This realization prompted churches to recognize that social initiatives could support the church's growth and the congregants' economic development. Therefore, social entrepreneurship has been developed, becoming a significant aspect of the congregation's development (Farmaki, Altinay, Christou & Kenebayeva, 2020).

Social entrepreneurship is a concept that stimulates social change through new resources and methods at the local, national, and international levels (Ćwiklicki, 2019). Such changes should be capable of addressing social issues and imbalances that occur within the activities of a company or organization. As an organization, the church fundamentally requires the concept of entrepreneurship to support the social initiatives undertaken by the church. In addition to the principles mentioned earlier, social entrepreneurship can create businesses that enhance the quality of life for communities, provided that they meet the needs of stakeholders (Sirine & Dewi, 2022).

Stakeholders play a crucial role in the functioning of an organization. Regarding development, stakeholders, including social entrepreneurship, are essential for future projects or programs (Ramoglou, Zyglidopoulos & Papadopoulos, 2023). It highlights that the presence or involvement of stakeholders is a vital aspect of any project. Stakeholders can support or oppose a project depending on their intentions or proximity to the company (Hu, Marlow, Zimmermann, Martin, & Frank, 2020). Therefore, the role of stakeholders can present entrepreneurial opportunities, both in developing new products and services and in determining priority scales proposed by managers to their teams for implementation (McElroy & Mills, 2007).

Based on field observations, the church has implemented social entrepreneurship programs in the culinary and agriculture sectors. These programs involve specialized groups with specific responsibilities assigned. For example, there is a dedicated group responsible for agriculture, overseen by several coordinators, while the culinary sector is divided among multiple responsible individuals. Residents' lands are utilized for gardening, and spaces around the church serve as locations for culinary businesses. All these initiatives are conducted with government permits. They are driven by a selfless approach, with those responsible prioritizing the church's mission over personal profits to better the local community's social needs.
However, as a relatively new player in social entrepreneurship, the church faces inevitable challenges. One significant challenge is the limited involvement of stakeholders in fully addressing the church's social issues. For instance, active participation in running social entrepreneurship activities is primarily restricted to coordinators when, ideally, it should involve the entire congregation. Additionally, as a partner, the government is currently limited to providing permits (Saebi, Foss & Linder, 2019). However, its role could further support the church's social entrepreneurship endeavors, facilitating its community development.

The challenges and obstacles above represent the primary issues in developing social entrepreneurship within the church community. Stakeholders follow and replicate established processes (Dmytryiev, Freeman & Hörisch, 2021). This contrasts with the entrepreneurial principle of creating innovation and the principles of social entrepreneurship to address social issues within the organization (Mthembu & Barnard, 2019).

The emergence of a gap between the ideal social entrepreneurship envisioned by Mthembu and Barnard above and the on-ground reality has resulted in disparities in the development of church social entrepreneurship. The hole in question pertains to the role of stakeholders, which should ideally be a focal point for involvement, but in practice, stakeholders need to be fully engaged (Sirine, Andadari & Suharti, 2020). Theoretically, this indicates that the positions of stakeholders are inversely related to the field phenomenon, which contradicts the stakeholder theory that suggests the involvement of various stakeholders in the organizational journey. Simultaneously, the concept of social entrepreneurship, prioritizing social change through community mobilization via profit-non-maximizing businesses, attains different values in the process within religious organizations. These values, such as love, kindness, honesty, care, and patience for growth, merge effectively. Social values can integrate with religious values, as evidenced by the practice of social entrepreneurship that can be applied based on the congregation's compliance with the clergy. Thus, stakeholder theory and the concept of social entrepreneurship should be grounded in compliance with external values (religion) and adhere to leaders within the organization, certainly with a standard of compassion towards others to achieve sustainability.

The development of church entrepreneurship cannot be limited to the clergy and responsible individuals in various social entrepreneurship fields who can drive change (Saragih, 2019). This inevitably impacts the purpose of entrepreneurship, as social entrepreneurship demands change and the creation of social value capable of improving the well-being of the masses (Sabbagh & Gerald, 2018). Reflecting on its inception, stakeholders initially directed the social entrepreneurship program towards making the church more practical in financial management and income generation. As a novel endeavor, a church that initially leaned towards social entrepreneurship must focus on innovation and strengthen stakeholder engagement.

These social initiatives should ideally lead the church toward addressing the church's social issues. Positively, the reduction of social problems can be achieved through social entrepreneurship (Edwige, 2021). This has become a logical response practiced within the church organization. Not just the church itself is involved, but cooperation with the government is vital to success. The government can mobilize the community and its resources to support the church's social efforts, whether in establishing agricultural gardens or obtaining permits for culinary ventures. Therefore, the church can profit by capitalizing on these collaborative opportunities (Hossain & Shamsuddoha, 2021).

This research was conducted at GMIM 'Bethel' Seretan, where most of the congregation works as farmers. In this context, the church refers to GMIM 'Bethel' Seretan, part of the Lembean Kora-kora region, which includes six churches. It is in the East Lembean sub-district, Minahasa Regency, North Sulawesi Province. Some have social enterprises such as farming and culinary ventures, while others rely on direct contributions from their congregants, namely, offering money. In this regard, social initiatives are crucial for congregational funds and diaconal purposes, which fall under the church's responsibility as an organization.

The entrepreneurial strategy employed by the church involves the active participation of its congregation, with guidance from the church council. In this context, the Pastor serves as a leader who coordinates and directs the entrepreneurship process as a whole. The introduction of social entrepreneurship began when the church was constructing its building, which required substantial funding. This context was later expanded to serve additional purposes: to support the church's finances for its social and diaconal activities (Quagrainie, Opoku, & Adom, 2018). The social initiatives undertaken by the church are primarily in agriculture and culinary arts, with the main target being the congregation and the surrounding villages. The practices in both of these areas will be the focus of the author's discussion in the subsequent sections. The author will delve deeper into the social entrepreneurship activities of GMIM 'Bethel' Seretan, particularly in culinary entrepreneurship and agricultural programs.
As far as the author has encountered, research on social entrepreneurship and community development has been conducted by Murzyn (2021), Onyemaechi et al. (2021), and Zhang, Sun, Gao, and Dong (2022), all of whom examine religious organizations in the community development in non-Indonesian contexts. In Indonesia, there have also been studies by Hadi and Rudiarto (2018) and Safei (2021), both of which conclude that developing social entrepreneurship within communities can contribute to Indonesia's efforts in addressing socio-economic issues. However, as mentioned above, these studies have not explicitly discussed the development of social entrepreneurship within the church community, which has its unique context in pursuing social entrepreneurship.

In more specific contexts, research on churches and social entrepreneurship has been conducted by several authors. Some of these studies focus on social entrepreneurs and the development of female social entrepreneurs within the church. The findings of these studies suggest that churches need to provide more support for new social entrepreneurs. Therefore, church membership and involvement are integral to developing women's entrepreneurship (Quagrainie et al., 2018). Additionally, religion's influence and entrepreneurial motivation are focused on. The research findings indicate a positive relationship between religious motivation and engagement in social entrepreneurship (Farmaki et al., 2020). Furthermore, some groups examine the economic development of the church from a socio-cultural perspective, which differs significantly from social entrepreneurship in terms of creating innovations or businesses with social interests. Although both ultimately contribute to social solutions, cultural aspects, and social entrepreneurship have distinct perspectives (Suwarto, 2022).

As far as the author has encountered, research on churches and social entrepreneurship has been limited to the three studies mentioned earlier. These studies have focused on the involvement of female entrepreneurs within the church, the positive relationship between religious motivation and social entrepreneurship practices, and the importance of socio-cultural aspects. While these studies have explored the intersection of the church and social entrepreneurship, they have not delved into the involvement of stakeholders in the role of developing social entrepreneurship within church activities. Furthermore, this research was conducted within one church in Indonesia, specifically in the Minahasa Regency, which has a predominantly farming-based community and where the religious organization implements social entrepreneurship. In addition, the cultural specificity of the community, compared to previous research on entrepreneurship and religious organizations, presents significant differences that can lead to new findings in future research endeavors.

This research will explore the implementation of social entrepreneurship within religious organizations, specifically focusing on the congregation's development aspect. Furthermore, it will examine the impact of social entrepreneurship development and attempt to discover and propose an appropriate social entrepreneurship model within the context of religious organizations. This research will guide religious organizations in optimizing their social efforts for effectiveness. Additionally, it aims to guide stakeholders in understanding their roles in social entrepreneurship.

**Research Methods**

The approach in this research is a qualitative study. Qualitative research is employed to understand better phenomena that often have limited available data, thereby facilitating the discovery of new findings. This descriptive research will provide in-depth descriptions of social entrepreneurship practices within the religious organization, namely the Christian Evangelical Church in Minahasa (GMIM) 'Bethel' Seretan.

The informants the author selected consist of internal and external stakeholders involved in the social entrepreneurship process. The internal stakeholders included the chairman of the GMIM "Bethel" Seretan council, the congregation treasurer, and leaders and members of the congregation engaged in the social entrepreneurship program, totaling eight individuals. On the other side are the external stakeholders, namely customers numbering five individuals and local government representatives consisting of two individuals, the village head and the chairman of the village consultative body. The number of each informant is determined based on individuals with substantial knowledge of social entrepreneurship within the religious organization.

The data collection techniques in this research will be in-depth interviews and observations. These methods are used to obtain data for this study. The interview process will follow the provided question guidelines, although adjustments may be made.

The interviews will be conducted in a semi-structured manner, where the author has prepared question guidelines for each interviewee, including the Pastor, the treasurer of the GMIM 'Bethel' Seretan congregation, the team responsible for social entrepreneurship, and the congregation members. As a result, the interviews that the author has scheduled will naturally accommodate the availability of the interviewees and adapt to the time and location constraints. The questions posed to participants are carefully designed to
explore their perspectives, experiences, and understanding related to the research topic. Nevertheless, most of the research reports lean towards providing an overview of findings and analysis resulting from in-depth interviews and observations without direct incorporating questions. This approach aims to maintain a focus on the interpretation and significance of the findings while minimizing readings that may become overly technical.

The validation of the research data’s authenticity is conducted through data triangulation techniques. The type of triangulation referred to involves triangulation of data sources (informants) and triangulation of data acquisition methods (interviews and observations). Based on the processes of these two types of triangulation, it can be observed that each informant provides mutually supportive answers, and the results of observations and interviews yield interconnected responses. This ensures the authenticity of the obtained data. This technique involves combining various methods of data collection and existing data sources. After finding various valid field data, the data is then analyzed using data reduction techniques. Through data reduction, researchers can minimize the complexity of the collected data and identify relevant points and themes. It is important to note that not all aspects are accommodated in the interview process, as certain communications may occur outside the research context.

Results and Discussion

Based on the field study, the researcher found that social entrepreneurship has been implemented by a religious organization, GMIM ‘Bethel’ Seretan, since 2018. Entrepreneurship was the initial idea to supplement the church’s finances, which was constructing its building. It was also driven by the implementation of Diakonia for all congregants classified as in need of assistance.

The leader of the religious organization (Pastor) serves as the initial catalyst for social entrepreneurship within the religious organization. This is unique because business or entrepreneurship is ordinary and even prohibited in some religiously labeled organizations. This unusual movement has garnered significant support from both the community and the local government. Additionally, there were disagreements among advisors, but these were resolved sociologically by the religious leader.

The interest in rural community development is a focal point for religious organizations. It goes beyond aiming for the kingdom of heaven through worship services but involves creating a heavenly kingdom within the community. This vision serves as a common ground between religious organizations and the government, striving for community development to achieve a more prosperous life.

From the stakeholders’ perspective in carrying out their roles, they are undoubtedly in a position to support the implementation of social entrepreneurship. The local government always plays a leading role in processes related to permits. As an external stakeholder, this becomes a significant support in the congregation’s social entrepreneurship journey.

Fundamentally, field observations indicate that social entrepreneurship exists within religious organizations in the Minahasa Regency community. However, it is not widely applied, as it is uncommon for churches to engage in business or entrepreneurship. Therefore, it is essential to delve deeper into the implementation of entrepreneurship within religious organizations in detail to highlight its advantages and uniqueness, thus presenting a new concept to the public.

Based on field studies, there are six main steps in the implementation of social entrepreneurship. First, teams are formed based on the congregation’s residential areas. Second, the assigned groups cultivate corn, spices, and other plants. Third, they harvest the mature crops and proceed with replanting. Fourth, the sales process occurs, where the harvested crops are sold along with culinary ingredients prepared by each team in designated locations. Fifth, profit calculations are made and reported during the weekly religious services conducted by the religious organization.

Figure 1. Steps for implementing social entrepreneurship in religious organizations

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<th>Preparation:</th>
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<td>1. Team Formation</td>
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<td>2. Task Allocation</td>
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<tr>
<th>Implementation:</th>
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<tr>
<td>1. Determination of Key Commodities</td>
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<td>2. Planting and Maintenance</td>
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<td>3. Harvesting and Replanting</td>
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<td>4. Marketing</td>
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<th>Reporting and Evaluation:</th>
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<tr>
<td>1. Reporting Work Results</td>
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<td>2. Evaluation Process and Improvement</td>
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The abovementioned implementation can occur with shared principles and practices among religious organizations and all stakeholders. This goes beyond benefiting the religious organization itself, as it also leads to the development and sustainability of the surrounding community. Consequently, religious organizations can have a sociological impact on Indonesian society, extending beyond theological aspects.

**Harmonious Social Entrepreneurship in the Context of Lembean Kara-kara Region, Minahasa Regency, Indonesia**

The intention towards social entrepreneurship still needs to be higher within religious organizations. However, scholarly research and the practice of social entrepreneurship are gradually being directed towards religious organizations. When examining the Indonesian context, it can be observed that social entrepreneurship is essential for developing religious organizations (Suwarto, 2022). This is based on the organization’s sustainability, primarily since the organization’s finances should not solely rely on offerings from the congregation. To ensure its sustainability, it is necessary to unify all stakeholders in supporting the existence and implementation of social entrepreneurship within religious organizations (Farmaki et al., 2020).

Social entrepreneurship becomes harmonious when there is a shared understanding among stakeholders to work together. This naturally leads to the organization’s social commitment to achieving the community’s well-being (Monteiro, Sánchez-García, Hernández-Sánchez & Cardella, 2022). Therefore, the unity among stakeholders in supporting social entrepreneurship within religious organizations becomes the key or the true meaning of the harmony of social entrepreneurship (Edwige, 2021).

The contributions of stakeholders manifested in social entrepreneurship activities are at the core of organizational development processes (Vizzciano & Cardenas, 2021). The harmony of social entrepreneurship in religious organizations centers around the relationships among stakeholders, including the Pastor, the church treasurer, the church council members, the congregation, and the government. The involvement of other NGOs as external stakeholders has yet to be implemented by the religious organization, and this is proposed as a step towards maximizing the social entrepreneurship of religious organizations (Prasetyo & Kistani, 2020).

**Model of Business Innovation in Religious Organizations**

In implementing entrepreneurship in religious organizations, it is crucial to explore its implementation’s initial motivations, stages, and social impacts. These three principles are essential to creating a business model within religious organizations. This represents a novel approach to business practices that is not widely adopted in other religious organizations due to prohibitions in conducting business (Shepherd, Wennberg, Suddaby & Wiklund, 2019). However, at this point, GMIM "Bethel" Seretan, as a religious organization, has become an exemplary model for others to follow.

The initial motivation of the congregation and the clergy as religious leaders is the ownership of plantation land, which holds added value when appropriately managed. Specifically, religious organizations require additional finances to expand their presence among the congregation, both in terms of Diakonia and other services. Ownership of plantation land presents an opportunity to address the organization’s financial needs. On the other hand, religious organizations gain more trust from the community when engaging in entrepreneurship because religious values serve as their primary guidance (Kamran, Khaskhely, Nassani, Haffar & Abro, 2022).

Although they emphasize religious values, managerial principles are still maintained in their social business processes. In the first stage, the leaders of the spiritual organization form teams based on the congregation’s areas. In this stage, the congregation is divided into groups based on their farming, harvesting, and sales roles. The second stage involves gathering the harvested products at the sales location. The third stage involves the sales process, which rotates according to the designated columns (regions) and includes the church council for each region. In the fourth stage, additional sales processes can be added, where, in addition to the farm produce, culinary items are made by each group. The fifth and final stage involves calculating the income.

Understanding the motivation behind and the practice or process of entrepreneurship has been accomplished, thus necessitating full involvement from both internal and external stakeholders. This is crucial to ensure the ability to achieve significant social and economic impacts. Several key positions need to be engaged to move towards social change, starting from religious organizational leaders, congregational assemblies, the entire congregation, social entrepreneurship teams, customers, and local government. These stakeholders must be involved to ensure the realization of religious organization development through social entrepreneurship. Ultimately, achieving socio-economic impact as a goal for society can be realized. Reduction in the number of poverty cases, job opportunities creation, and improvement in the quality of life for the congregation are outcomes of social entrepreneurship
in religious organizations in achieving economic impact. Furthermore, active participation of the congregation, a spirit of cooperation based on love and community empowerment, is the result of community mobilization in achieving social impact.

**Motivations:**
1. Value addition through land ownership.
2. Assisting the congregation's economic well-being.

**Social Entrepreneurship Process:**
1. Team formation.
2. Target area mapping.
4. Determination of sales locations.
5. Sales.
6. Outcome calculation, reporting, and evaluation.

**Roles Involved:**
1. Religious leaders.
2. Council members.
3. Every congregant.
4. Social entrepreneurship team.
5. Customers.

**Economic Impact**
1. Reduction in the number of poverty cases.
2. Generation of employment opportunities.
3. Improvement in the quality of life for congregants social.

**Social Impact**
1. Active congregational participation.
2. Spirit of cooperation based on love.
3. Empowerment of the local community.

**Impact:**

In Indonesia, social entrepreneurship within religious organizations has significant potential to create a substantial positive impact. This is especially true when all stakeholders, such as pastors, congregation treasurers, church councils, members, and government entities, can collaborate with a shared understanding and commitment. Unity of vision and mission in supporting social entrepreneurship within religious organizations is the key to its success. The contributions of stakeholders in social entrepreneurship activities are at the heart of the development of religious organizations, contributing to diaconal services, the construction of places of worship, poverty reduction, and job creation. Therefore, it is essential to maintain harmony between religion and social business while involving more external stakeholders, such as NGOs, to maximize the positive impact of social entrepreneurship within religious organizations.

Innovation in social business within religious organizations illustrates a positive paradigm shift, where business profits are reinvested in the needy community. Strong faith in religious values in Indonesian society provides significant impetus to view religious organizations as legitimate and effective agents of social entrepreneurship. Through team formation, effective management, and results exceeding expectations, religious organizations can make a significant social impact, including poverty reduction and community empowerment. The integration of social business into the activities of religious organizations not only aids the local economy but also elevates ethics and spiritual values as primary guidelines in business actions, thereby creating an inspirational model for other religious organizations in Indonesia.

In line with the objectives of this research, which aims to investigate the role of social entrepreneurship in the context of religious organizations, with a focus on the harmonization between business practices and stakeholders. It was found that the integration of social entrepreneurship becomes a central element in the implementation of business in the religious environment. This not only serves as a business strategy but also as a collaborative effort involving all stakeholders. These findings significantly contribute to understanding business practices in the religious context, providing a new direction for innovation within religious organizations, while considering the upheld religious values.
Consistent with this, the research emphasizes the importance of viewing religious organizations as collective entities, and the business innovation models generated can serve as valuable references for other religious organizations. However, it is essential to acknowledge the limitations of this study, particularly in the geographically restricted context of Lembean Korakora, Minahasa Regency, Indonesia. Therefore, a suggestion for future research is to broaden the focus not only to specific religions but also to involve more religious organizations in general. Additionally, delving into the opportunities and challenges in implementing social entrepreneurship is a crucial direction for further research, aiming to generate a greater impact on business innovation, economic sustainability, and local environmental development. The main purpose of this research is to provide in-depth insights that can be used as a foundation for further understanding and the development of business practices in the religious sector, as well as to stimulate further research in this field.

References


