Part IV – Conclusion

Social Business Transformation proposition: the SEEC Enterprise Framework

Abstract

Results show that it is challenging for SEOs to commit to sustainability by contributing to the eradication of extreme poverty through the transformation of their business models and governance practices while becoming financially independent in spite of their fragmented sectors. The key priorities, opportunities, challenges, and implications for SEOs to address these challenges, are structured according to three pathways.

Firstly, SEOs use new and revised policies, well managed operations, and flexible legal structures as enabling governance structures that are built on trust, thereby stimulating creativity and innovation. By so doing, the capacity of the state is increased and the spirit of 'ubuntu' - which means *I am because we are* - is supported.

Secondly, to be self-supporting and/or profitable, SEOs use a wider variety of available financial instruments in innovative finance while collaborating synergistically within the entrepreneurial ecosystem. This practice includes the mastering and application of business skills to recover costs for operations, using technology to gain access to markets to become financially independent.

Thirdly, SEOs create, deliver, and capture value through social business models that allow for innovative design, improving products and services, reflecting the increased triple bottom line, and strengthening partnerships. Spillovers are generated in socio-environmental enabling communities, thereby reconstructing fragmented SEO sectors over time.

In order for SEOs to keep their priorities set on creating value for the extreme poor and the planet, to exploit opportunities and overcome challenges according to these three pathways, a business transformation proposition is proposed, referred to as the *SEEC Enterprise Framework.*

The SEEC Enterprise applies the SEEC Enterprise Framework to disrupt the waiting time that the unemployed have in finding work. The building blocks that the SEEC Enterprise Framework proposes in building capacity to align, scale, and excel, are the SEEC Enterprise -Logframe, - Value Chain and - Business Model. Stakeholders collaborate synergistically, generating spillovers, thereby allowing for severely fragmented components of especially the middle and base tiers of alternative financial instruments and enabling governance structures to be reconstructed over time. The top tier of SBMI, being the least affected, lends itself to be well resourced from the main source, global knowledge, to reflect an increased triple bottom line and strengthened partnerships. Global knowledge contributes to added pressure towards achieving the sustainable eradication of extreme poverty, enabling SBMI to spill over to other tiers. This would enable SEEC Enterprises to create a pool of knowledge in a synergistic manner, enabling a regenerative process.

Social Business Transformation proposition: the SEEC Enterprise Framework

1. Introduction

The reader is reminded of the specific business problem that SEOs experience which is the inability to generate revenue sustainably because of a lack of appropriate social business models, use of financial instruments and fragmented governance structures. The metaphor of a three-tiered fountain is used as a heuristic to describe the three levels in a socio-environmental enabling community that would benefit from a transformational business framework. A business transformation proposition takes advantage of opportunities and challenges in terms of enabling governance structures, using alternative financial instruments in innovative finance, and improving products and services through innovative social business models. The hierarchically positioning of the three tiers are justified based on the varying degrees of potential of the three tiers and on the potential to collaborate synergistically. The varying degrees of potential of the three tiers include the difference in terms of severity of fragmentation of each sector and also the relative importance of each sector.

To address opportunities and challenges that SEOs face, a framework is suggested to provide a roadmap to alleviate the plight of the extreme poor and the neglected planet, enabling SEOs to contribute to reaching the Sustainable Development Goals by 2030. The umbrella-term 'SEO' has so far been used to refer to interchangeable terms for an organisation that has 'social mission', … 'innovation', … 'and the role of earned income' at heart (Lepoutre et al., 2013, p. 694; Terjesen, 2012, p. 9). These interchangeable terms, nor the umbrella-term SEO, took the importance of sustainability and the role of the enabling community into consideration. I suggest that the umbrella-term is replaced with the term socio-environmental enabling community. A socio-environmental enabling community (SEEC) is part of the socio-entrepreneurial ecosystem and refers to its function in the sustainable eradication of extreme poverty. A SEEC Enterprise has social and entrepreneurial impact as they generate revenue sustainably, enabling communities to trust one another as they govern with confidence and transparency.

The SEEC Enterprise applies the SEEC Enterprise Framework to disrupt the waiting time that the unemployed have in finding work. The building blocks that the SEEC Enterprise Framework proposes in building capacity to align, scale, and excel, are the SEEC Enterprise -Logframe, - Value Chain and - Business Model.

2. SEEC Enterprise Logframe

In this section the SEEC Enterprise Logframe's function is determined, defined and illustrated according to the 'Basic Logic Model' and 'The Results Hierarchy' (Bill & Melinda Gates Foundation, 2010; Epstein & Yutas, 2014, p. 107). It also shows how it can be used by SEEC Enterprises as a way to align their impacts with those of the SDGs. An example is given of how the third of the five themes of SRQ1 - creating value for the extreme poor - is aligned with one of the SDGs.

The function of the SEEC Enterprise Logframe is to align SEEC Enterprises' impacts and outcomes with the SDGs' impacts and outcomes. The SEEC Enterprise Logframe is based on the Theory of Change as discussed in the literature review. 'Logframe' is another way to refer to 'logical frameworks' (Epstein & Yutas, 2014, p. 109). The logframe consists of five phases, 'Inputs, Activities, Outputs, Outcomes, Impacts', with the first three steps measuring execution and the last two measuring change (Bill & Melinda Gates Foundation, 2010; Epstein & Yutas, 2014, p. 107). This is one of the tools that I'd used to analyse the SEO LtE in the LtE-case study. It is different to the LtE-case study in that the scale of the problem that I am addressing in this thesis stretches along an average of 14,800 SEEC Enterprises per year.

The first element in 'measures of execution' is 'inputs'. This element normally includes 'human, financial, material, cultural and other resources', as well as ''internal and external constraints' (Epstein & Yutas, 2014, p. 107). These 'inputs' would combine resources of the three tiers and are out of scope for this thesis. I have therefore focused on the other 'measures of execution' namely 'activities' and 'outputs', as well as on the 'measures of change', which include 'outcomes' and 'impacts' as shown in the logical framework, or logframe, in Figure 74 below (Bill & Melinda Gates Foundation, 2010; Epstein & Yutas, 2014, p. 107).

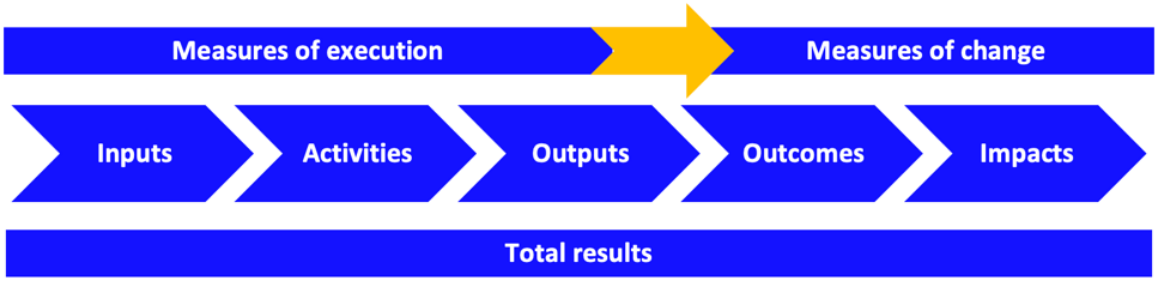

Figure 1: The SEEC Enterprise Logframe based on the 'Basic Logic Model' and 'The Results Hierarchy' (Bill & Melinda Gates Foundation, 2010; Epstein & Yutas, 2014, p. 107) (Author's own illustration)

Results have shown that SEOs find it challenging to commit to sustainability by contributing to the eradication of extreme poverty through the transformation of business models and governance practices while becoming financially independent (MRQ). One way to overcome this challenge is for SEEC Enterprises to align their goals with the goals of bigger role-players in the field, such as the United Nations' (UN) SDGs. This could enable SEEC Enterprises to experience first-hand what the successes and challenges are of global efforts such as the SDGs, to learn from those who have been successful, and to be inspired by them. By applying the principle of generating spillovers, it would be beneficial for the UN to have 'partners in the field' such as SEEC Enterprises, to collaborate with, in order to achieve the SDGs by 2030. It will also be beneficial to SEEC Enterprises, to learn from the UN's SDGs and thereby reconstruct the fragmented components of their three tiers.

With the possibility of SEEC Enterprises contributing to the achievement of some of the SDGs, I needed to know what the impact is that the SDGs would achieve in measures of change, to determine what the outputs are that the SEEC Enterprises should plan for in measures of execution. For this example, the following SDGs are taken into consideration:

- SDG 1: 'End poverty in all its forms everywhere',
- SDG 2: 'End hunger, achieve food security and improved nutrition and promote sustainable agriculture', and
- SDG 17: 'Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development' *(United Nations Statistics Division, 2021)*.

I used secondary data to know what the goals, targets, and indicators of SDGs 1, 2 and 17 are I also used secondary data from goals that are published in South Africa's 'National Development Plan' (NDP) (National Planning Commision, 2013) that correspond with data from the 'Global indicator framework' for the SDGs and targets of 'the 2030 Agenda for Sustainable Development'

(United Nations Statistics Division, 2021). South Africa has been using the NDP to report on its progress of the SDGs (Statistics South Africa, 2019b) as discussed in 2.5.3., p. 50 of the literature review.

The methodology that I will follow to use these data, is to align the SEEC Enterprises' impacts and outcomes with the SDGs' impacts and outcomes, as illustrated in Figure 75 below. In practice, the SEEC *impacts* (right side) are the same as SDGs 1, 2 and 17 that I will use for SRQ1. The aligning comes in at the ***outcomes***- and ***activity***-levels. At the *outcomes*-level, a sub-section of the main research question (MRQ) is exchanged for the corresponding SDG target. At the output-level, the relevant SRQ theme is reflected which includes SEEC-*activities* and SDG-*outcomes.* This is not a perfect, but a relative, exchange and allows for some flexibility to demonstrate the alignment between SEEC Enterprise goals and SDGs. The logframe in Figure 75 below illustrates how the aligning takes place.

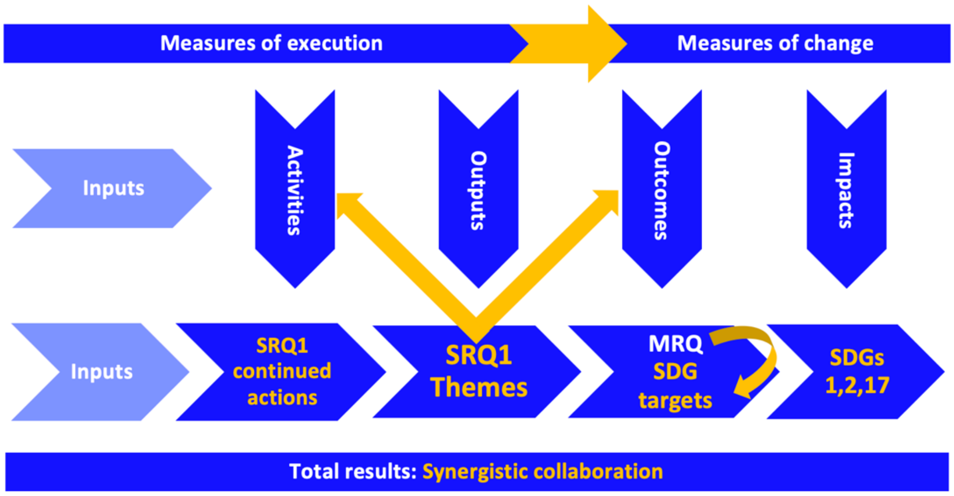

Figure 2: The SEEC Enterprise Logframe aligning the MRQ and SRQ 1 with the SDGs based on the 'Basic Logic Model' and 'The Results Hierarchy' (Bill & Melinda Gates Foundation, 2010; Epstein & Yutas, 2014, p. 107) (Author's own illustration)

Being aligned, the following ***outputs*** are used in the *measures of execution*:

- Output 1: SEEC Enterprises have innovated social business models,
- Output 2: SEEC Enterprises eradicate extreme poverty,
- Output 3: SEEC Enterprises create value for the extreme poor,
- Output 4: SEEC Enterprises create value for the planet,
- Output 5: SEEC Enterprises strengthen partnerships.

The **activities** are sourced from results that were considered to be opportunities. Some actions were considered to be challenges or '*unresolved issues*' (labelled red in the second level of analyses of logical connections in Chapter 4-7, pp. 150-247). These unresolved issues will have to be addressed and resolved first.

Prioritised set by formerly called SEOs were used as the basis for indicators. The total results are 'synergistic collaboration', as shown in Figure 75 above.

The next section demonstrates how the output 'SEEC Enterprises creating value for the extreme poor' is aligned with one of the SDGs.

3. SEEC Enterprise Value Chain

In this section the SEEC Enterprise Value Chain is discussed according to fill the research gap of the need for an integrated value chain for the social entrepreneur and his/her organisation. The SEEC enterprise's circular value chain consists of five themes as illustrated in Figure 76. The five themes are *social business model innovation* (SBMI), creating value for the extreme poor, creating value for the planet, SEOs strengthening partnerships and SEOs eradicating extreme poverty (from now on SEEC Enterprises). These themes were derived according to research gaps determined in the literature review and posed in the form of Sub-Research Question 1. Each theme is supported by a responding theme related to *alternative financial instruments* and *enabling governance structures*.

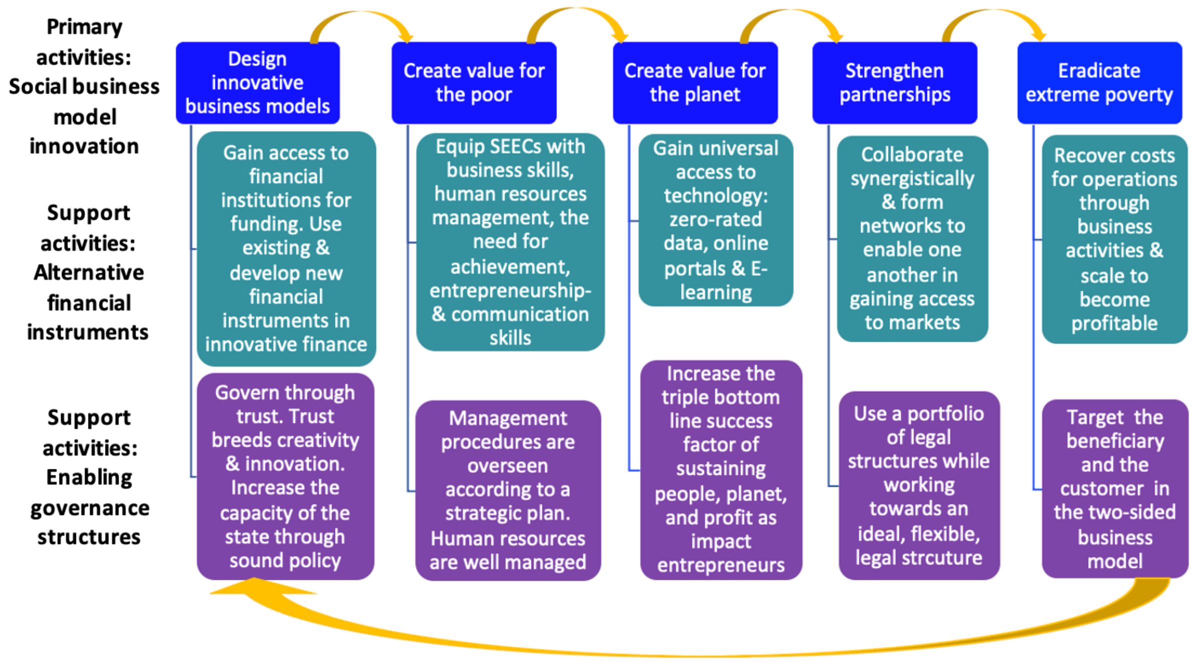

Figure 3: The SEEC Enterprise Value Chain (Author's own illustration)

The literature review showed that that there is a gap from the perspective of the social entrepreneur in terms of the financial instruments that would be ideal to use especially in the early stages of the value chain so that operations would be conducive for SEOs (from now on referred to as SEEC Enterprises) to generate revenue sustainably. An integrated value chain from both the social entrepreneur and the SEOs perspectives would be ideal, to show when, and how, to manage for income generation. Results also show that the SEO needs to have access to the appropriate legal structure in order to have *access to funding,* which is one of the SEOs' primary concerns. It was also determined that every effort should be made across the social entrepreneurial value chain towards increasing the triple bottom line success factor of sustaining people, planet, and profit, to eradicate extreme poverty in South Africa.

The integrated, circular, SEEC Enterprise Value Chain as illustrated in Figure 76 enables SEEC Enterprises to deliver their products and services at a competitive advantage by protecting the environment as well as serving a social need, while being affordable. 'Integrated' refers to the research gap that was identified in the literature review in Chapter 2.11, Table 10, p. 111. The gap in the research literature is to have an integrated value chain where the objectives of managing for sustainable operations is obtained across the value chain, from both the social entrepreneur and the SEOs' (from now on referred to as SEEC Enterprises') perspective.

The five themes forming the primary activities of the SEEC circular value chain, follow a circular pattern which repeat until extreme poverty is eradicated (indicated by the yellow arrows in Figure 76). The support activities are sourced from alternative financial instruments[1] and enabling governance structures. Support activities in terms of enabling governance structures could for example include better reporting on the concrete efforts of contributions to the achievement of 'SDG1 (No Poverty)' and 'SDG2 (Zero Hunger)' so that the effective outcome of' Goal 17 (Partnerships for the goals)' (Voluntary National Review, 2019, p. 19; United Nations Statistics Division, 2021) could be established, thereby addressing the uncertainties that were determined in the literature review[2].

Furthermore, according to the conceptual framework by Littlewood and Holt (2018, p. 8) of how social enterprises' contributions to the SDGs are focused into four groups as discussed in the literature review[3], SEEC Enterprises' activities would fall into the 'focused integrated contributors' group. This is because SEEC Enterprises focusing only on three SDGs, spread out across the whole value chain, instead of using many SDGs as a broad contribution, concentrated on only a few value chain activities.
Results show that the design-phase of innovative business models include options from existing and new financial instruments in innovative finance according to five different stages of business

[1] Please refer to Table 7 on page 73 for a list of alternative financial instruments in the field of innovative finance.
[2] These uncertainties were discussed in the literature review in terms of 'The 2019 SDG Index' on pp. 47-48 as well as in 'Reported progress on the SDGs' on pp. 50-51.
[3] See Figure 5, p. 52 of this thesis for an illustration of the conceptual framework by Littlewood & Holt (2018).

growth as established in the literature review. These stages are categorised as 'Seed, Start-up, Early stage, Accelerate' and 'Maturity' (Greater Capital, 2016, p. 11). The variety of instruments includes donations and traditional grants but needs to expand to stokvel (traditional savings clubs), crowdfunding, microfinance, and other products in the innovative finance category such as angel investment, patient capital, venture capital, mezzanine finance and credit schemes. SEEC enterprises should resemble these different growth stages and could typically call on the same variety of instruments. Other support activities in the 'alternative financial instruments' sector include the following: equipping SEEC Enterprises with business skills, gaining universal access to technology, collaborating synergistically within the SEEC, and recovering costs for operations through business activities. Related support activities in the 'enabling governance structures' sector include the following: governing through trust, well managed activities according to a strategic plan, increasing the triple bottom line, using a portfolio of legal structures in the absence of an ideal structure and lastly, to target both the beneficiary and the customer in the two-sided business model.

To summarise, the SEEC Enterprise Value Chain represents an integrated perspective in terms of primary activities in SBMI, support activities in *alternative financial instruments* and *enabling governance structures.* SEEC Enterprises deliver their products and services at a competitive advantage by protecting the environment as well as serving a social need, while being affordable, a process that repeats until extreme poverty is eradicated. These elements serve as another set of building blocks that contribute to SEEC Enterprises generating revenue sustainably. The SEEC Enterprise Value Chain is taken into consideration in the design of the SEEC Enterprise business model so that SEEC Enterprises can be at least self-supportive and preferably profitable.

4. SEEC Enterprise Business Model

In this section, the SEEC Enterprise business model is discussed in terms of its relation to the SEEC Enterprise Logframe and SEEC Enterprise Value Chain and its priorities. The SEEC Enterprise business model is also illustrated in how it excels by creating, delivering, and capturing value while being supported by the use of alternative financial instruments in innovative finance as well as enabling governance structures.

The SEEC Enterprise business model leans on the SEEC Enterprise Logframe through which activities are aligned, well managed, monitored and evaluated. It also leans on the SEEC Enterprise Value Chain that enables SEEC Enterprises to scale by delivering their products and services at a competitive advantage by protecting the environment as well as serving a social need, while being affordable.

The SEEC social business model includes the following priorities as determined in the key findings and implications in Chapter 6.2.3, p. 224:

- a strong commitment to sustainability reflected in the market, environmental and social value propositions, with an absolute value indicating the improvement that the SEEC Enterprise would bring to both society and the environment included in the environmental value proposition,
- the generation of positive spillovers to the middle and bottom tiers of alternative financial instruments and enabling governance structures,
- an entrepreneurial element of risk-taking and innovation as the spillover effect creates new opportunities and challenges, and
- the opportunity to have well managed activities as the SEEC Enterprise business model flows from the SEEC Enterprise Logframe and SEEC integrated circular value chain.

The SEEC Enterprise business model reflects the SEEC enterprise's position within the socio-environmental enabling community (SEEC) as illustrated in Figure 77 below.

The value proposition is delivered to the customer, the customer segment captures value by offering monetary payment. The generated income creates value that enables the process to start again by creating value through the value proposition, describing the product and/or service that is delivered to the customer. The SEEC enterprise is able to excel, as it finds itself supported by three tiers: the innovative social business model, the use of alternative financial instruments in innovative finance as well as enabling governance structures.

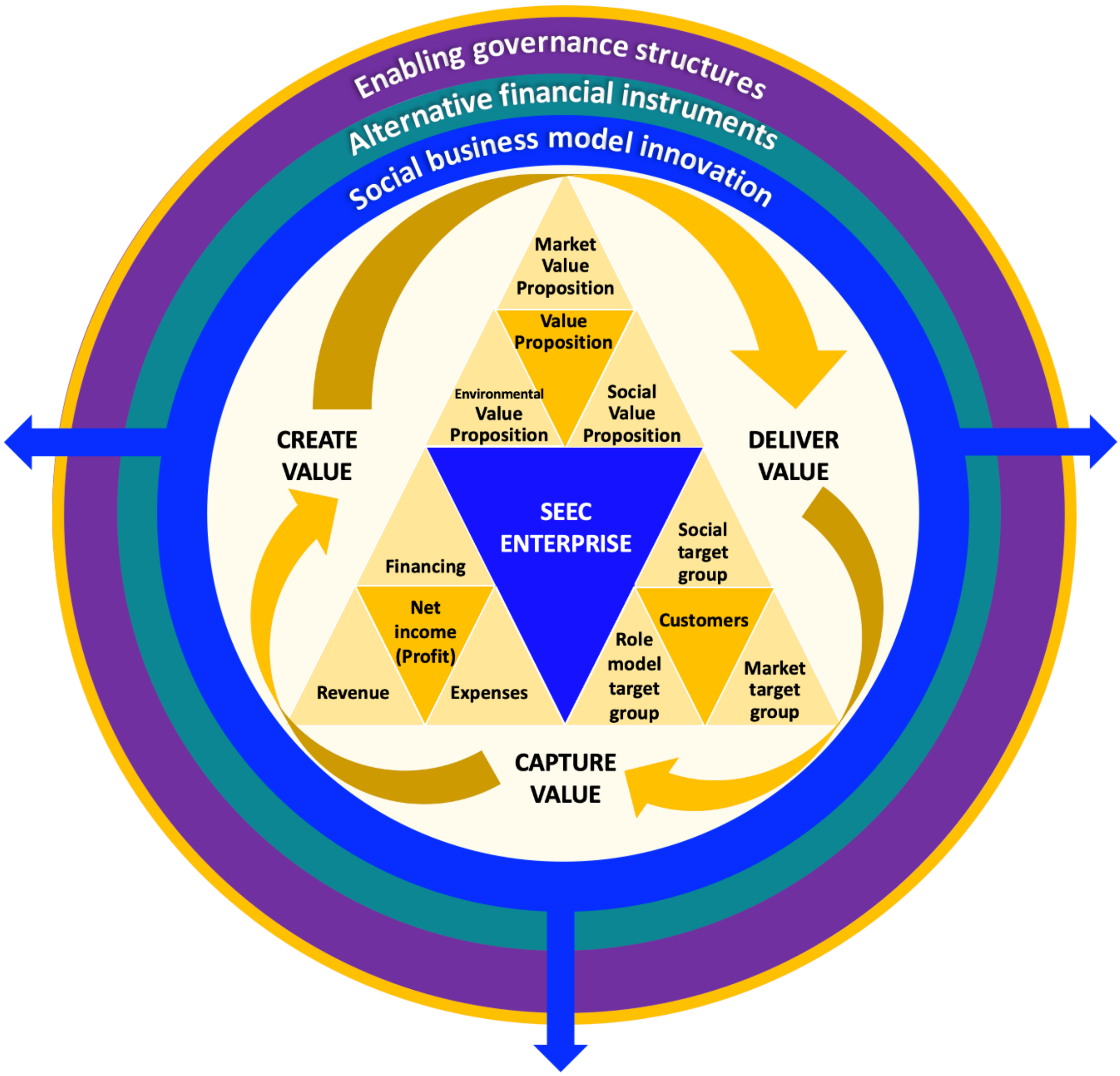

Figure 4: SEEC Enterprise business model (Author's own illustration)

In the process of **creating value**, value propositions are offered to satisfy the needs of customers (Osterwalder & Pigneur, 2010). The literature review shows that the protection of the environment is also referred to when an organisation creates value, but only as an *either/or* option:

- 'organisations that adopt social ***or*** environmental missions' (Santos, Pache & Birkholz, 2015, p. 37), and

- ‘society and the wider ecosystem through financial, social ***or*** environmental returns’ (Hlady & Servantie, 2018, p. 73).

However, the SEEC Enterprise business model is different in that there is no option between offering value to society and the environment. The value proposition includes the dual mission of solving social and environmental issues, reflecting the triple bottom line, and thereby also the *holistic approach* of reaching the economic, social and environmental goals (Sachs, 2015). The SEEC Enterprise business model therefore has a triple value proposition of creating environmental, social and market value to its customers. This *holistic approach* enables SEEC Enterprises to renew their commitment to sustainability through *change readiness, knowledge, leadership,* and *trust*.

SEEC Enterprises are furthermore able to cultivate trustworthiness in terms of *integrity, benevolence,* and *ability*. SEEC Enterprises offer innovative, affordable products and/or services to customers, of which the social and well as environmental impacts have been taken into consideration. The value of the products and/or services offered to the customers exceeds the production costs. Immediate needs are products and services that are food and/or clothing and/or exercise related and are offered to people in townships and/or rural areas (Interviewee B, 2021). SEEC Enterprises therefore value stakeholders in agriculture, youth, townships, and primary schools. They prioritise youth and primary schools by using smart technology and avoiding bureaucracy and red tape. SEEC Enterprises also seek solutions for longer terms challenges in the health, education, social capital, and economic activity sectors when designing their products and services.

The SEEC enterprise serves three customer segments in **delivering value**: the market target group, the social target group as well as the role model-target group. The market target group is customers in townships and rural areas. The market target group is reached through channels that involve raising awareness and creating an interest about products and services being made available on-line because of SEEC Enterprise Interns’ exposure to E-learning. Some customers in the market target group that are willing to serve as role models, choose to be part of the role model-target group. Customers in the social target group include two types of beneficiaries: permanent and temporary. The literature review shows that in terms of delivering value to the customer, his/her role can be replaced by a donor, who pays for the service or product on behalf of the customer who is not able or willing to pay for a product or service. The beneficiaries-segment includes those who are excluded from the ability to pay for the product or service themselves. Reasons for this exclusion may be that these customers ‘are poor, long-term unemployed, disabled, discriminated, or socially excluded’ (Seelos & Mair, 2005, cited in Siebold, 2020, p. 4), and/or who ‘experience an inability or unwillingness to pay for provided goods’ (Santos, Pache & Birkholz 2015, cited in Siebold, 2020, p. 4). Customer relationships are built on SEEC Enterprises and customers trusting one another, allowing trust to spill over into institutional trust, thereby contributing to sustainability.

A social business model is two-sided, targeting both the customer and the beneficiary, representing the market target group and the social target group. The two-sided business model also needs to be based on a legal structure that is flexible enough to accommodate this two-sidedness. The suggested SEEC Enterprise business model makes provision for the two-sided need by considering the ‘inability’ or ‘unwillingness’ of some customers – ‘beneficiaries’ – to be temporary or permanent. Those beneficiaries who are unable to work are permanently supported by existing or newly created alternative financial instruments in innovative finance. Temporary beneficiaries are part of the 4,3 million South African youths aged 15 to 34 years, who are able to work but who are unemployed. In order to be freed from the *grant dependency* trap, these youths are encouraged to receive in-service training. They are referred to as SEEC Enterprise Interns and become a key resource in delivering value to customers through in-service-training programs, overseen by *role models*. SEEC Enterprise Interns are partially supported by existing or newly created alternative financial instruments. They supplement their income through income generating activities in social entrepreneurial start-ups, overseen by role models. SEEC Enterprise Interns receive in-service-training for two years by being part of a SEEC Enterprise with a registered legal structure such as a Not-for profit Company (NPC), or a SEEC Enterprise that uses a *portfolio of legal structures*. SEEC Enterprise Interns choose their key partners and plan their key activities according to the SEEC Enterprise Logframe and SEEC Enterprise Value Chain.

Customers in the role model target group are implicated in both the social and market value proposition. They qualify as role models based on their training and receive tax incentives for the role that they play as overseers in SEEC Enterprises, but also in the market value proposition by having access to the same products and services that the SEEC Enterprise offers.

The SEEC Enterprise **captures value** by customers living in townships and rural areas, paying reasonable prices for products or services that they would not otherwise have access to.

Customers' buying power in densely populated townships should not be underestimated. Customers in rural areas offer other types of opportunities, in that they are knowledgeable about growing their own produce, opening up agri-entrepreneurship potential. According to my findings in Chapters 4-7, **the extent to which SEEC Enterprises generate revenue** is measured according to **the degree to which they are able to recover their operational costs through revenue from products and services while creating social and environmental impact as set out in their social and environmental mission, in a transparent way**. The goal for SEEC Enterprises would therefore be that the **majority are self-supporting, or profitable**, **and that the minority are partly-self-supporting** – the inverse of the current situation as established in the literature review.

The SEEC Enterprise business model is designed with two incentives in mind, one for role models and the other for SEEC Enterprise Interns. The first incentive is that established, registered, entrepreneurial concerns are considered for tax incentives if a director of such an entrepreneurial concern is willing to serve as role models to start-ups. They are recognised for their leadership role in contributing to the eradication of extreme poverty and the achievement of the SDGs. The second incentive is for SEEC Enterprise Interns and determines that they receive **deductions** on their student fees per year as well as **tax incentives** for the first for-profit company any member of the successful SEEC-member starts within two years after having completed their SEEC Enterprise Internships. This incentive is based on two conditions:

- that the goals of SEEC Enterprises overlap with 'SDGs 1 (No poverty), 2 (Zero hunger) and 17 (Partnerships for the goals)' (Voluntary National Review, 2019, p. 19; United Nations Statistics Division, 2021) as set out in the SEEC Enterprise Logframe, and
- that their SEEC Enterprise generates its own revenue according to the SEEC definition for financial sustainability after two years of being SEEC Enterprise Interns.

To summarise this section, the **SEEC Enterprise business model** is marked by a strong commitment to sustainability, the generation of positive spillovers, an entrepreneurial element of risk-taking and innovation and the opportunity to have well managed activities, aligned according to the SEEC Enterprise Logframe, using the SEEC Enterprise Value Chain to scale (Belz & Blinder 2017; Bill & Melinda Gates Foundation, 2010; Epstein & Yutas, 2014; Grassl, 2012; Littlewood & Holt, 208; National Planning Commision, 2013; Rahdari, Sepasi & Moradi, 2016; Revuelto-Taboada & Guerrero, 2014; Sachs, 2015; Simón-Moya, Santos, Pache & Birkholz, 2015; Roundy, 2017; *United Nations Statistics Division, 2021*). The SEEC enterprise is able to **create value** by taking the needs of society, the environment, and the market into consideration by its holistic approach of committing to sustainability through change readiness, knowledge, leadership, and trust (Hlady & Servantie, 2018; Osterwalder & Pigneur, 2010; Santos, Pache & Birkholz, 2015; Interviewee G, 2021). The SEEC enterprise **delivers value** to three customer segments: the market target group, the social target group as well as the role model-target group. The social target group includes two types of beneficiaries: those who are able or unable to work (Interviewee H, 2021; Santos, Pache & Birkholz 2015, cited in Siebold, 2020; Seelos & Mair, 2005, cited in Siebold, 2020). Both types are provided for by using appropriate, existing, or newly developed alternative financial instruments, in supporting them to experience pattern-breaking change (Greater Capital, 2016). SEEC Enterprise Interns are freed from the *grant dependency* trap (Department of Statistics South Africa, 2020; Dohrmann, Raith & Siebold, 2015; Interviewee B, 2021; Statistics South Africa, 2020b; Interviewee E, 2021) and become a key resource in delivering value to customers through in-service-training programs, overseen by *role models* (Interviewee B, 2021; Preisendörfer et al., 2012; Interviewee A, 2020; Interviewee G, 2021). Both SEEC Enterprise Interns and role models are incentivised to become part of a SEEC Enterprise (Meyers, 2021). The SEEC Enterprise **captures value** by customers living in townships and rural areas, paying reasonable prices for products or services that they would not otherwise have access to (Evans et al., 2017; Interviewee B, 2021; Osterwalder & Pigneur, 2010; Siebold, 2020). The extent to which SEEC Enterprises **generate revenue** sustainably is measured according to the degree to which they are able to recover at least the majority of their operational costs through revenue from products and services while creating social and environmental impact as set out in their social and environmental mission, in a transparent way (Akbulaev, Aliyef & Ahmadov, 2019; Bosma et al., 2016; Hlady & Servantie, 2018; International Labour Office, 2016; Massetti, 2008; Santos, Pache & Birkholz, 2015; Siebold, 2017)

Stakeholders collaborate synergistically, generating spillovers, thereby allowing for severely fragmented components of especially the middle and base tiers of alternative financial instruments and enabling governance structures to be reconstructed over time. The top tier of SBMI, being the least affected, lends itself to be well resourced from the main source, global knowledge, to reflect an increased triple bottom line and strengthened partnerships. Global knowledge contributes to added pressure towards achieving the sustainable eradication of extreme poverty, enabling SBMI to spill over to other tiers. This would enable SEEC Enterprises to create a pool of knowledge in a synergistic manner, enabling a regenerative process.

An applied example of the SEEC Enterprise Framework shows that in spite of some limitations, a total of around 600,000 currently unemployed graduates and potentially unemployed graduates could benefit from the twelve-year SEEC Enterprise Internship-project. With the oversight of SEEC Enterprise role Models, SEEC Enterprise Interns are invited to intern for a period of two years, learning to generate revenue sustainably by applying the SEEC Enterprise Framework, ready to start their own businesses after the completion of their internships. This would enable them to contribute to the eradication of extreme poverty in South Africa and the achievement of the SDGs by 2030.

The main requirements for the SEEC Enterprise Framework to be applied in the suggested baseline case, are SEEC Enterprises having to use existing legal structures such as the NPC until an ideal structure becomes available. Other requirements are that the project runs over fourteen years from 2023 to 2034, with 27,600 role models overseeing 662,400 SEEC Enterprise Interns (24 interns per role model), spread out over 157 'Higher Education institutions' (Department of Higher Education and Training, 2021, p. 6). Technological requirements are that SEEC Enterprises will need to use a SEEC Enterprise Dashboard through which data can be digitally transferred from SEEC Enterprise Interns to the SEEC dashboard so that role models can monitor the progress. A total annual cost of ZAR 2,3 billion (USD 153,4 million) of ZAR 500,000.00 (USD 33 400.00) per project is foreseen, with reduced costs of 15% of annual tuition fees, incurring savings of ZAR 614 million (USD 40,8 million). Revenue is foreseen with SEEC Enterprises recovering the costs for their operations through revenue from their business activities, covering all their expenses through products and services while creating social and environmental impact as set out in their social and environmental mission, in a transparent way, at ZAR 920 million (USD 61,2 million) in year one, and ZAR 2,3 billion (USD 153,4 million) in year 2, resulting in a net loss of **-**ZAR 1,3 billion (-USD 86,3 million) in year 1 and a net income of ZAR 75 million (USD 5 million) in year 2. A risk assessment indicated that the probability that the majority of these risks would take place is generally 'insignificant' to 'moderate'. The impact that the majority of these risks would have if they were to occur, would be from 'Marginal', 'Serious', to 'Critical'. The main limitation to the SEEC framework is that this baseline case needs to be put in practice to stand the test of time, which brings us to the conclusion of this thesis.

5. The Socio-Environmental Enabling Community (SEEC) Enterprise Framework

The SEEC Enterprise Framework is defined and illustrated in this sub-section. Furthermore, its two main goals are discussed, which are firstly to disrupt the so-called 'waiting' time in eradicating extreme poverty, and secondly to allow SEEC Enterprises to align, scale and excel.

Defining and illustrating the SEEC Enterprise Framework

The SEEC Enterprise Framework is defined as enabling a SEEC Enterprise to determine and improve its position towards generating revenue through SBMI in the enabling community, according to four phases, illustrated in Figure 73 on p. 278[4] and described as follows:

Phase 1 : Analyse pathways

The first phase comprises the **analysis** of three pathways through which opportunities and challenges are identified for each pathway. These three pathways are integrated sequentially and are the following:

- Pathway 1 (top tier): The social business model in which the triple bottom-line is addressed
- Pathway 2 (middle tier): Alternative financial instruments
- Pathway 3 (base tier): Enabling governance structures

The sequential integration results in generating spillovers.

Phase 2: Resolve, spillover and compensate

Challenges are independently **resolved** for each pathway. Generated **spillovers compensate** for shortcomings in the fragmented middle and base tiers.

Phase 3: Build capacity – align, scale, and excel

[4] This four-phased process mimics the Belz & Binder (2017) six-phased convergent process model with two pathways in order to arrive at the triple bottom line result and was discussed in the literature review on p. 44 of this thesis.

In building capacity, the SEEC enterprise

- **aligns** it goals with the SDGs in the global thrust of eradicating extreme poverty through the SEEC Enterprise logframe,
- **scales** their social and environmental impact according to an integrated SEEC Enterprise Value Chain, and
- **excels** in alleviating the plight of the extreme poor and protection of the planet, while sustainably generating revenue through the SEEC Enterprise business model.

Phase 4: Synergetic collaboration

The SEEC Enterprise Framework guides the SEEC enterprise to build capacity, allowing for the three levels to synergistically enable each other. As SEOs collaborate with experts in the base and middle tiers in terms of alternative financial instruments and governance structures, they become knowledgeable beyond their own expectations. This creates a pool of knowledge that overflows from the top tier to the communities of the middle and base tiers, building up pressure from the bottom-up to generate **a spillover** in a regenerative process, for the sake of SEEC Enterprises benefitting from the renewed overflow.

The SEEC Enterprise Framework is illustrated in Figure 73 below:

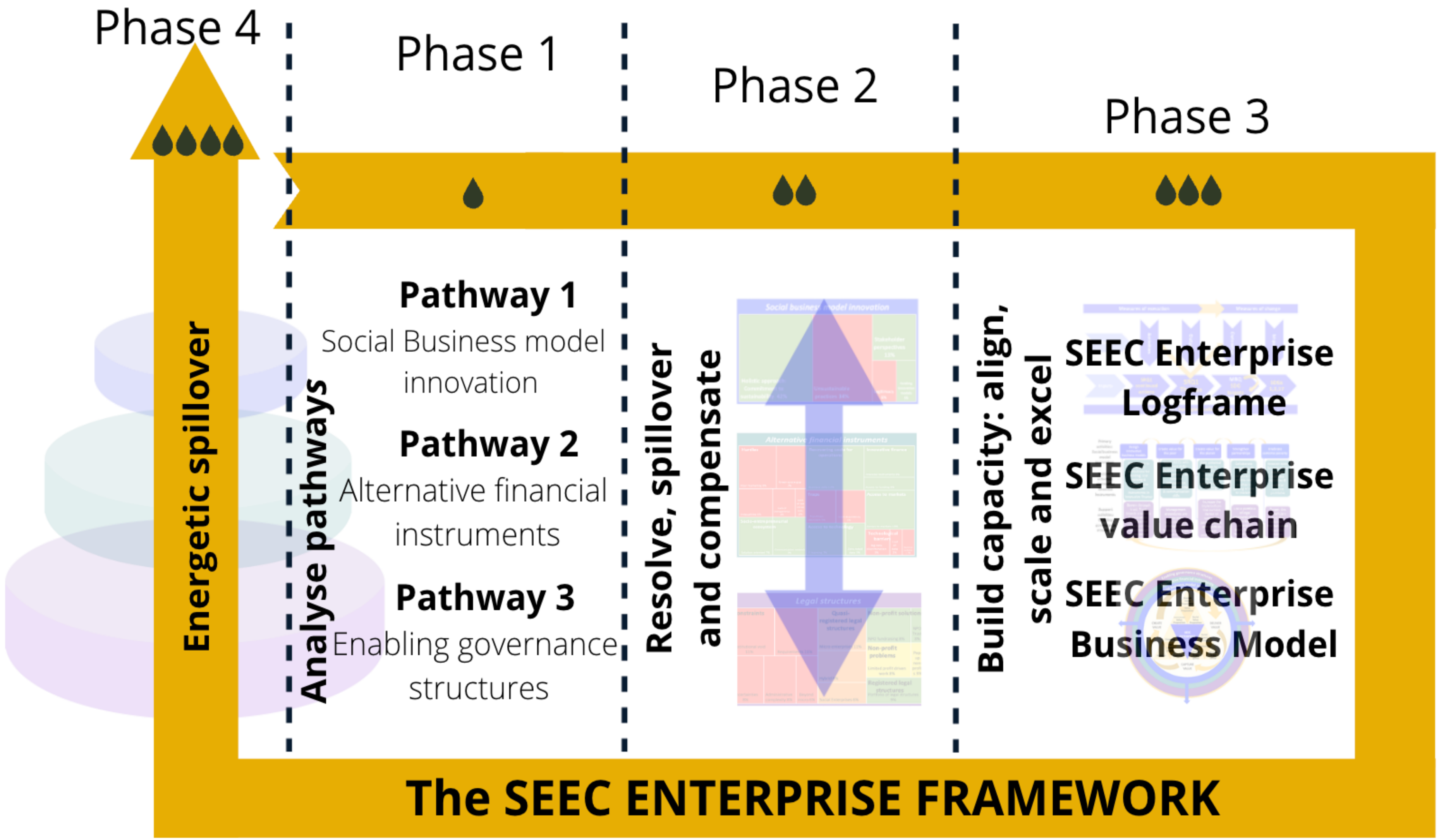

Figure 5: The SEEC Enterprise Framework (Author's own illustration)

The goals of the SEEC Enterprise Framework

The goals of the SEEC Enterprise Framework are twofold.

Firstly, to disrupt the so-called 'waiting' time in eradicating extreme poverty in the following ways:

- that graduates find decent work without delay by applying the SEEC Enterprise Framework.
    - 'Graduates' refer to six different levels of post-secondary, or tertiary, education of students from public universities, technikons and vocational schools: 'Higher Certificate (National Qualifications Level - NQF Level 5), National diploma (NQF Level 6), Bachelor/National higher diplomats (NQF Level 7), Honours (NQF Level 8), Masters (NQF Level 9), Doctorate (NQF Level 10)' (Statistics South Africa, 2020b, p.72). Unemployed graduates fall into one of five age groups ranging from '15-24 years old' to '55-64 years old' (Statistics South Africa, 2020b, Table 6). Unemployed graduates form 9% of the total number of 7,2 million unemployed people. The majority of these unemployed people fall into the age category of 15- to 34-year-olds, with 4,5 million youth being unemployed (Statistics South Africa, 2020b, Table 6).

      According to statistics from the first quarter of 2020, around 600,000 graduates were already unemployed at this time (Statistics South Africa, 2020b, Table 6). This number is rounded down from 633,000 in 2020 to 600,000 students (Statistics South Africa, 2020b, Table 6).
    - Mncayi and Dunga (2016, p. 418) found that the highest percentage of unemployed graduates at the North-West University in South Africa qualified in the field of Humanities at 46.2%, followed by Commerce at 42.3%, Education at 7.7% and the lowest percentage of unemployed graduates qualified in the field of Science at 3.8%.
    - The unemployment rate in South Africa at the end of 2021 is at its 'highest' since 2008, at 35.3% (Statistics South Africa, 2022, p. 6). In comparison with the end of 2020, there has been a decline of 479 000 people in employment 'largely due to decreases in the number of people employed in the Community and social services (286 000), Manufacturing (174 000), Trade (168 000) and Construction (33 000) industries (Statistics South Africa, 2022, p. 8).
    - If an increase of unemployed graduates over the next ten years (2021-2030) is taken into consideration, the number of unemployed graduates would be 1,540,000. This calculation is arrived at based on the percentage of unemployment of graduates that

has increased from 2011 to 2020 at an average of 9.3% per year over ten years (Statistics South Africa, 2020b, Table 6), as illustrated in Table 21 below. It is furthermore based on the projection that the percentage of unemployed graduates will continue to increase over the next ten years from 2021 to 2031 as illustrated in Table 22 below. I assumed that this increase will be at the same rate as the previous ten years, namely 9.3% per year, bringing the total projected number of unemployed graduates to an estimated number of 1,500,000 unless a solution is found to break the cycle of graduate unemployment.

Year	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2012	Jan-Mar 2013	Jan-Mar 2014	Jan-Mar 2015	Jan-Mar 2016	Jan-Mar 2017	Jan-Mar 2018	Jan-Mar 2019	Jan-Mar 2020
	Thousand										
Tertiary unemployed	276	257	296	313	393	456	435	541	493	547	633
Change		-19	39	17	80	63	-21	106	-48	54	86
% change year on year		-6.9%	15.2%	5.7%	25.6%	16.0%	-4.6%	24.4%	-8.9%	11.0%	15.7%
Average % change 2010 to 2020											**9.3%**

Table 1: Unemployed graduates 2010 - 2020 (Statistics South Africa, 2020b, Table 6) (Authors own illustration)

Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Thousand										
Tertiary unemployed	692	756	827	903	987	1079	1180	1289	1409	**1540**	1684
Change	59	64	70	77	84	92	100	110	120	131	143
% change year on year	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%
Projected number of unemployed graduates by 2031											**1, 684**

Table 2: Projected number of unemployed graduates by 2031 (Authors own illustration)

- It is therefore urgent that this cycle of graduates that remain unemployed, is broken. An example will be given in which the SEEC Enterprise Framework is applied from 2023 to 2032 to do just that. In this example, it will be shown how 25% of the 600,000 (150,000) currently unemployed graduates in Q1 of 2020 could be meaningfully employed. The example will also show how the cycle of graduate unemployment could be broken, by applying the SEEC Enterprise Framework to a SEEC Enterprise Intern program for the sake of currently unemployed graduates as well as potentially unemployed graduates in the future. There is an estimated number of between 405,428 currently enrolled, and 648,652 projected enrolled undergraduates, who might have to face the dilemma of remaining unemployed. Taking the 150,000 currently unemployed graduates into consideration, this would bring the total average estimated number of SEEC Enterprise Interns to 527,040[5]

- that SEEC Enterprises use available legal structures, albeit not ideal, while advocating for the ideal legal structure to be institutionalised, and
- that SEEC Enterprises use available, alternative financial instruments in innovative finance without hesitation.

Secondly, that 4,600 newly registered SEEC Enterprises are able to align, scale and excel towards generating revenue. SEEC Enterprises can be described according to two definitions. Firstly, in terms of the category of small enterprises and are described by the International Labour Office (2016, p. 13) as follows: ‘while most small enterprises are not social enterprises, almost all social enterprises are small enterprises’. The annual turnover of the majority of what is described as creative and social enterprises in South Africa is between ZAR 200 000.00 and ZAR 500 000.00, employing on average 21 people per social enterprise (Lovasic, & Cooper, 2020, pp. 29,34). Secondly, smaller (commercial) enterprises in South Africa are described in terms of Small, Medium and Micro Enterprises (SMMEs), determined by the average amount of employees per SMME and the annual turnover of the SMMEs (Smith, Pretorius & Kotecha, 2017, p. 15). Some SEEC Enterprises could be compared with ‘small’ and ‘very small’ SMMEs in terms of turnover, with these size businesses having a combined turnover of between ZAR 1 million and ZAR 10 million (between USD 70 000 and USD 700 000). There are between 25,000 and 29,000 SMMEs categorised as ‘small’, and from 73,000 to 84,000 SMMEs categorised as ‘very small’ in South Africa (Smith, Pretorius & Kotecha, 2017, p. 15). SEEC Enterprises are also compared with the average amount of employees per SMME, ranging from just below ‘very small: 5.74-6.74’, to ‘small: 12.08-13.08’ at implementation, bordering on the entry to ‘medium: 26.21-27.21’ (Smith, Pretorius & Kotecha, 2017, p. 21). According to these two definitions, SEEC Enterprises would have an estimated number of employees ranging from between 5 to 27, and an estimated annual turnover of between ZAR 200 000.00 and ZAR 10 million (between USD 13 000.00 and USD 700 000.00). The number of 4,600 SEEC Enterprises would

[5] These numbers will be explained in detail in Table 24 on page 304.

represent a 100% increase in terms of a unique category of SEOs being formally registered, and it would represent an average of 6% of very small SMMEs and 17% of small SMMEs.

Based on these two goals, SEEC Enterprises

- commit to sustainability,
- contribute to the eradication of extreme poverty. This will be further explained when the problematic context of the unemployed, and potentially unemployed, graduates into consideration, will be discussed on pp. 2974-305,
- increase its social and environmental impact by including on average 24 potentially unemployed graduates per SEEC enterprise, through income generating activities. This process is described in detail in 8.3.3., 'The SEEC Enterprise Business model, pp. 290-295. If 4,600 newly registered SEEC Enterprises employ 24 unemployed graduates per SEEC Enterprise as interns for a phase of two successive years from 2023 to 2034, with 110,400 interns per phase, a period that allows for 662,400 SEEC Enterprise interns over six phases of two years each. This period can be shortened to five phases, ending in 2032, to arrive at reaching an average estimated number of SEEC Enterprise interns of 527,040 as illustrated in Table 24 on page 304. The data for the 'SEEC Enterprise timeline and number of people involved' are available in Appendix 15, p. 405. This number of registered SEEC Enterprises does not increase cumulatively. A set number of 4,600 SEEC enterprises is registered at the onset of the program, thereby avoiding unnecessary bureaucratic burdens over the ten year-period, using the same legal structures throughout, with SEEC Enterprise interns being added and taken away as students enrol and graduate. However, the number of trained SEEC Enterprise interns cumulatively increase over the twelve years, reaching 662,400 SEEC Enterprise interns by 2034. The possibility exists that SEEC Enterprise interns:
    - would have contributed to social and environmental impact,
    - would have been exposed to what it means to create, deliver, and capture value in a sustainable way,
    - would have been guided by experienced role models,
    - would have been exposed to the value of the SEEC Enterprise framework
    - would have been employed as SEEC Enterprise interns for two years before graduating,
    - would have been offered the opportunity to set up their own businesses, thereby having the option of creating work as an entrepreneur, or finding decent work as an intrapreneur in existing enterprises,

- would have grasped what it means to generate revenue by using the SEEC Enterprise Framework.

To summarise, the SEEC Enterprise Framework enables a SEEC Enterprise to determine its position in the enabling community according to an analysis of how its social business model is innovated, how it uses alternative financial instruments in the field of innovative finance and what kind of enabling governance structure it needs to operate optimally. Its two main goals are to disrupt the so-called ‘waiting’ time in eradicating extreme poverty, and that 4,600 SEEC Enterprises are able to align, scale and excel by using the SEEC Enterprise Framework in sustainably generating revenue, thereby allowing 662,400 SEEC Enterprise interns to have been meaningfully employed before graduating.

Once the SEEC Enterprise has analysed its position in the enabling community in the first phase, resolved the challenges for each pathway and generated spillovers, compensating for shortcomings in the fragmented middle and base tiers and the SEEC Enterprise in the second phase, it proceeds to the third phase. This phase entails setting up a SEEC Enterprise Logframe, to determine measures of execution and measures of change, which will be discussed in the next section.

6. Conclusion

The key contribution that this research has made, was to propose a framework through which SEOs can become SEEC Enterprises to eradicate extreme poverty sustainably. This is the result of the purpose of this thesis that was clearly framed at the outset: to determine how SEOs could contribute to an entrepreneurial ecosystem alleviating social and environmental issues in innovative ways, while generating revenue. With South Africa applying the SEEC Enterprise framework to co-create sustainable change, countries with similar profiles would benefit from its application too.

Available literature provided an overview of the remaining challenges that SEOs face in committing to sustainability while contributing to the eradication of extreme poverty, as well as a narrowed down focus on the three most important challenges. These challenges were identified as the way in which the environmental and economic dimensions of sustainability are integrated into social entrepreneurial business models, the financial instruments in innovative finance that are available for SEOs to use, and the role of institutional governance in SEOs. Some of the key concepts and issues that were recognised in these challenges also presented with research gaps, which led to the formulation of the MRQ, and SRQs. Theories that were identified to guide my search in designing, and finding answers to, the research questions helped me in the design of the survey and interviewee questions, as well as in the analysis of the results.

The research problem was addressed by following a multiple method-approach**.** Qualitative data were analysed, and integrated key findings were presented against the background of philosophical assumptions and theoretical frameworks in order to have answered the main research question and its sub-research questions. These questions addressed some of the major problems in South Africa, a country with a population of 59.62 million people, with high income inequity, and decreasing entrepreneurial intentions. Inequality in the labour market is deeply 'racialised and gender biased' (Department of Statistics South Africa, 2020a, p. ix; Statistics South Africa, 2020b; Statistics South Africa, 2014, p. 52). Only 42% of the adult population is employed (Bernstein, 2020), resulting in '60% of households' depending more on social grants than on wages (Statistics South Africa, 2020a). Other challenges are crime, corruption, the management of HIV and the COVID-19 pandemic, as well as challenges that exist because of South Africa's historical past such as the absence of role models (Isa, 2020; Transparency International, 2020). There has been a dramatic increase of students that graduated at universities with numbers that have almost doubled from 2000 to 2016 (Statistics South Africa, 2019, pp. 35, 62). However, unemployment has also increased during the same time, with 58% of the unemployed being in the tertiary age-group (Statistics South Africa, 2021a).

In spite of the fact that SEOs are able to address societal, cultural, or environmental issues in innovative ways, the sustainable generation of revenue is mostly overlooked, with the majority staying dependent on donations. A more sustainable approach was sought, to change from being dependent on grant funding, to generating revenue. A detailed analysis made it clear that SEOs can only commit to sustainability by contributing to the eradication of extreme poverty through the transformation of their business models and governance practices while generating revenue, under specific conditions. One of these conditions is that the social entrepreneurial spillover effect is well coordinated, by engaging socio-environmental enabling communities (SEEC) in implementing a conceptual framework. To illustrate the design and implementation of the framework, the problem of 600,000 unemployed graduates (Statistics South Africa, 2020b, Table 6) was used as an example of how the SEEC Enterprise Framework can be successfully applied.

My research has enabled me to have made unique contributions to the science of social entrepreneurship, both theoretical and pragmatic. At the end of this important study, several key conclusions stand out in ways that SEOs can commit to sustainability.

On a theoretical level, this research led to a discovery of three pathways in socio-environmental enabling communities that have not been addressed in research literature yet.

The first pathway is governance structures. The multi-dimensional concept of governance includes policy, operations, and legal structures. My findings showed that governance is severely fragmented with many challenges and unresolved issues, especially on the levels of policy and legal structures. However, by governing through trust, using a two-sided business model, and strengthening the capacity of the state, governance structures are enabled through specific opportunities. Two of the most important opportunities in each dimension are the following:

Policy:

- New and revised policies are urgent in terms of child support grants, start-ups, and property rights to ensure sustainable practices. These policies reflect the spirit of *ubuntu* which means *I am because we are*. As people start to trust one another, risk and uncertainty is accepted, breeding creativity and innovation.
- Good governance of policies and procedures requires revision and implementation according to an integrated value chain and logical framework, thereby increasing the capacity of the state.

Operations:

- SEOs are aware of the tax implications for their businesses in order to speed up growth and increase the start of new businesses. They continue to manage against corruption and crime and include the importance of human resources, oversight of management procedures according to a strategic plan which integrates social, environmental, and financial value.
- Management includes efficient project coordination with well managed lead times. Budgets allow for a specific marketing strategy and that staff are compensated in a way that honours their dignity, even if the SEO runs a tight budget.

Legal structures:

- SEOs move between non-profit and for-profit structures according to their particular needs, accommodating double-sided social business models. SEOs' funding options are expanded as they use a portfolio of legal structures, which includes the use of Not-for-Profit Companies (NPC), to further the cause in terms of society, the environment, or cultural activities.
- SEOs address the constraint of the institutional void that exists of not having an appropriate legal structure with resilience and creativity in making ends meet, and by so doing change the informal landscape of SEOs by formally contributing to the economy.

The second pathway is the use of alternative financial instruments in the field of innovative finance, so that SEOs can scale and generate revenue sustainably. The majority of obstacles in this pathway are surmountable. There are especially two opportunities that SEOs should capitalise on:

- Firstly, SEOs obtain business skills in recovering costs for operations for business activities, an aptitude that is shaped over time and that is used to the advantage of the SEO, especially in realising the financial sustainability of the organisation. Other than business skills, four more skill sets are of importance to the SEO: Human resources management, the need for achievement, entrepreneurship skills and communication skills.
- Secondly, SEOs explore the use of innovative finance which includes access to funding and alternative financial instruments. With the SEOs legal structure in place, access to funding is a primary concern, then tax relief, and pioneering 'the use of social criteria in public procurement processes' (United Nations General Assembly, 2018, p. 14/22). A wide array of alternative financial instruments is available in innovative finance, including donations, traditional grants, stokvel (traditional savings clubs), crowdfunding, microfinance, and other products in the innovative finance category such as angel investment, patient capital, venture capital, mezzanine finance and credit schemes.

The remaining challenges in terms of the role of governance need to be addressed in more depth because of its scale and intensity.

The third pathway showed that a solution might have been found for SEOs to commit to sustainability by contributing to the eradication of extreme poverty, while generating revenue. The solution lies in the role that social business model innovation (SBMI) plays as SEOs create value for the extreme poor and the planet in a way that strengthens partnerships locally and globally. This includes the application of an inherent characteristic of social entrepreneurship, the so-called spillover effect. Although this journey will remain challenging, the following outputs showed potential:

- SBMI showed that SEOs collaborate synergistically with stakeholders in the entrepreneurial ecosystem. These stakeholders include the domains of agriculture, youth, townships, and primary schools. SEOs have a holistic approach in showing their commitment to sustainability through change readiness, knowledge, leadership, and trust. They cultivate trustworthiness as it carries integrity, benevolence, and ability. These values are reflected in their existing innovative business models as well as in newly created ones, attracting young social entrepreneurs in changing the landscape of social entrepreneurship. SEOs embed sustainable practices in their value chains as they solve unsustainable practices such as the absence of adhering to the triple bottom line, fear, non-transparency, lack of knowledge, mismanagement., corruption, absence of institutional trust and short-termism.

- *SEOs eradicate extreme poverty* through innovative products and services, focusing on the agri-food industry and other products related to basic needs such as food, clothing, or exercise. Decent work is a priority, replacing social grants with opportunities that abound in urban and rural settings, often under the supervision of role models. Looking towards the future, issues such as the absence of incentives, the inequality gap and shortage of social entrepreneurs are systematically and progressively addressed in measures of execution and change.
- *SEOs create value for the poor* through skills development courses. Their success spills over to the rest of the socio-entrepreneurial ecosystem, reaching the middle and base tiers of alternative financial instruments and legal structures as well. Issues in these themes focused on health, education, economic activity, and the lack of social capacity, which SEOs should include in their social business models.
- *SEOs create value for the planet* by starting with recycling and upcycling as first steps to protect the planet, while generating income through the abundance of environmentally sound opportunities to revitalise the economy. The issue of renewable energy weighs heavy on the country, with SEOs having to step-up to display their personal roles as active citizens, representing both the poor and the planet.
- *SEOs strengthen partnerships* through their scientific, technological, and innovative approach in designing new products and services. This allows them to have contact with local and global stakeholders, resulting in new partnerships. New opportunities are created for the effects of SEOs' ventures to spill over beyond their immediate reach. This is facilitated by SEOs' approach in fostering authentic relationships. The South African society is unfortunately still plagued with racism and nepotism, but SEOs seem well prepared to work towards overcoming these issues. SEOs also suffer from a lack of exposure to global opportunities, which could change if they could align their goals with those of the SDGs.

On a pragmatic level, this research led to a discovery of how SEOs could learn valuable lessons from the successes and challenges of global movements represented by the United Nations' Sustainable Development Goals (SDGs). SDG17 (Partnerships for the goals) shows that this relationship could be reciprocal, by the UN welcoming SEOs as 'partners in the field' to achieve the SDGs by 2030. In using the metaphor of a three-tiered fountain, it will be beneficial for SEOs to use their innovative social business models in the top tier to receive 'in-service-training' from a global body, thereby reconstructing the fragmented components of especially their middle and base tiers.

This practical discovery led to the suggestion of a process of transformation. The way in which SEOs are referred to, changes, to introduce a new era of SEOs fully committing to sustainability in the eradication of extreme poverty. For the remainder of the thesis, SEOs have been referred to as 'Socio-Environmental Enabling Communities' (SEECs), not only to indicate the use of an appropriate term to announce the new era, but also to describe the vehicle that will be driving the SEEC Enterprise. 'SEECs' refer to stakeholders in the socio-entrepreneurial ecosystem, with the specific function of eradicating extreme poverty sustainably. 'Socio-environmental' dictates that SEEC Enterprises are not only about achieving the social mission of solving societal issues, but about a combined social and environmental mission of committing to sustainability, which generating revenue. Financial sustainability is insured by 'Enabling', which refers to the effect that spillovers generate when 'Communities' collaborate. These 'Communities' are concerned about socio-environmental business models, alternative financial instruments, and enabling governance structures. In applying the spillover effect within SEEC Enterprises through the SEEC Enterprise Framework, I showed that real-world issues such as a commitment to sustainability and the eradication of extreme poverty in South Africa, can be successfully addressed.

The process of transformation is achieved through the application of the SEEC Enterprise Framework, spread out over four phases of analysing data, resolving challenges, building capacity, and allowing for synergistic spillovers. This framework includes a combination of building blocks in the third phase, to allow SEEC Enterprises to align, scale and excel. One of the building blocks, the SEEC Enterprise Business Model, also allows for a theoretical contribution in the form of a definition for SEEC Enterprises to generate revenue sustainably. The SEEC Enterprise building blocks are the following:

- In the **SEEC Enterprise Logframe**, the first step is to identify the main problem, and to determine who is most affected by the problem. By working in synergy with global institutions in finding solutions such as the SDGs, organisations benefit from the spillover effect in aligning their goals with those who are working towards achieving the same objectives.

- The **SEEC Enterprise Value Chain** enables the SEEC enterprise to scale its activities from the design to the distribution phase of products and/or services in an integrated way. The integration includes primary activities in terms of SBMI, support activities from both alternative financial instruments in innovative finance and enabling governance structures. The SEEC Enterprise Value Chain follows a virtuous circular pattern of an innovative process of designing business models - creating value for the poor - creating value for the planet - strengthening local and global partnerships - eradicating extreme poverty, until the goal is achieved.
- The **SEEC Enterprise Business Model** sets financial sustainability as a goal according to the following definition: the degree to which SEEC Enterprises are able to recover at least the majority of their costs for their operations through revenue from their business activities, covering all their expenses through products and services while creating social and environmental impact as set out in their social and environmental mission, in a transparent way.
- The **SEEC Enterprise Dashboard** is a way to keep track of data that can be digitally transferred from SEEC Enterprise team members to the SEEC Enterprise Dashboard so that role models can monitor the progress or challenges of the operations.

7. References

To follow.