

Item Validation for Sustainable Funding Model of B40 Social Enterprise Startups

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ABSTRACT

Government now shoulders much of the responsibility of the cost of funding of social issues services delivery. Many social enterprises attempted to provide innovative interventions to social issues as well, but often face capacity and resource constraints. Issues and limitations to the current funding model include sustainability and scalability, and insufficient collaboration between the government and social enterprises. The purpose of this paper is to establish a reliable instrument that can measure the quality of the sustainable funding model of this nature. Items were developed for its reliability and validity relevancy. In order to build a valid and reliable item, this paper highlights the involvement of selected social enterprises in east coast region of Malaysia to gauge its social cause mission, entrepreneurial intention and the sustainable funding initiatives. Expert validation was done among the practicing social entrepreneurs and academic experts in social entrepreneurship. Some 30 young social entrepreneurs participated and about 10 panel of experts validated the items. In the early phase of the item development, 46 items were measured in these three constructs. Responses from panel of experts required minor modification with the item was reduced to 35 measuring all the constructs. The overall scale validity index was .90. It was found that there is a presence of a good-for-fit indices for the final measurement model.

Keywords: item validation, sustainable funding model, Bottom 40, social enterprises, startups; entrepreneurial intention

INTRODUCTION

Bottom 40 (B40) are the sample as the social funding model is targeting the most marginalized segments of society. In this proposal, B40 are communities with limited social service reach and facing perhaps deep poverty. This category of B40 cut across a wide range of conditions that affect individuals' standard of living. The complexity drives the need to call on the collective strengths of sustainable social funding model in creating innovative solutions moving forward.

In this response, employment rate has long been considered a key indicator of the stability and prosperity of a nation's economy. The COVID19 crisis has impacted the nation and Malaysia kept unemployment relatively high despite its low and stable from 2.9 to 2.5 per cent over the last five years. The sustainable funding model initiative as proposed in this study is hope to drive employment via entrepreneurship, ensuring that B40 have equal opportunities for income by establishing businesses.

Despite the best effort to stimulate employment on a national level, Middle 40 (M40) are another segment of the population who have its own capacity to face unique circumstances