

The Role of Social Entrepreneurs and Sustainability in Malaysia: A Scoping Review

Yuda Gesra Aryus*
yuda.aryus@student.aiu.edu.my
ORCID: 0009-0003-6118-1503

Nor Azilah Husin
azilah.husin@aiu.edu.my
ORCID:000-0002-1513-8550

Araştırma Makalesi

DOI:...

Geliş Tarihi: 24.05.2025

Kabul Tarihi: 23.06.2025

Atıf Bilgisi

Aryus, Y, G., Husin, N, A. (2025). The Role of Social Entrepreneurs and Sustainability in Malaysia: A Scoping Review. *Ahi Evran Akademi*, 6(1), 44-60

ABSTRACT

Social entrepreneurship plays a pivotal role in addressing socio-economic challenges while promoting sustainable development in Malaysia. This scoping review examines the key factors influencing the performance and sustainability of social enterprises, following the PRISMA framework to systematically analyze relevant literature. From an initial pool of 442 studies identified across four academic databases, 12 met the final inclusion criteria after rigorous screening. The findings reveal five critical determinants of success: robust ecosystem support through multi-stakeholder collaboration, financial resilience via adaptive strategies, structured leadership continuity, youth engagement through education and value alignment, and cultural integration in business models. These elements collectively enable social business to balance financial viability with lasting community impact. However, challenges persist in rural inclusivity, policy coherence, and standardized performance measurement. The review highlights the need for context-specific strategies that leverage Malaysia's unique socio-cultural assets while addressing systemic barriers. These insights provide valuable guidance for policymakers, practitioners, and researchers seeking to strengthen the social entrepreneurship ecosystem. Future research should prioritize longitudinal studies, comparative ASEAN analyses, and the development of practical toolkits to bridge existing gaps between theory and practice.

Keywords: Social entrepreneurship, Sustainability, Performance factors

Malezya'da Sosyal Girişimcilerin Rolü ve Sürdürülebilirlik: Bir Tarama İncelemesi

Öz

Sosyal girişimcilik, Malezya'da sosyo-ekonomik sorunların ele alınmasında ve sürdürülebilir kalkınmanın desteklenmesinde kilit rol oynamaktadır. Bu kapsamlı literatür taraması, sosyal girişimlerin performansını ve sürdürülebilirliğini etkileyen temel faktörleri PRISMA metodolojisi çerçevesinde sistematik olarak incelemektedir. Dört akademik veritabanında belirlenen 442 çalışmanın titiz bir eleme sürecinden sonra 12 tanesi nihai değerlendirmeye alınmıştır. Bulgular, başarının beş kritik belirleyicisini ortaya koymaktadır: çok paydaşlı işbirlikleriyle güçlendirilmiş ekosistem desteği, uyarlanabilir stratejilerle finansal direnç, yapısal liderlik sürekliliği, eğitim ve değer uyumuna dayalı genç katılımı ve iş modellerinde kültürel entegrasyon. Bu unsurlar, sosyal girişimlerin finansal sürdürülebilirlik ile toplumsal etkiyi dengelemesini sağlamaktadır. Bununla birlikte, kırsal kapsayıcılık, politika uyumu ve standart performans ölçümü konularında zorluklar devam etmektedir. Literatür, Malezya'nın sosyo-kültürel avantajlarını kullanırken sistemsel engelleri aşmaya yönelik bağlama özgü stratejilerin gerekliliğini vurgulamaktadır. Bu içgörüler, politika yapımcılar, uygulayıcılar ve araştırmacılar için sosyal girişimcilik ekosistemini güçlendirecek değerli rehberlik sunmaktadır. Gelecek araştırmalar, teorik ve pratik arasındaki boşlukları kapatmak için uzunlamasına çalışmalara, ASEAN karşılaştırmalarına ve uygulamaya yönelik araçların geliştirilmesine öncelik vermelidir.

Anahtar Kelimeler: Sosyal girişimcilik, Sürdürülebilirlik, Performans faktörleri

* Sorumlu Yazar

Introduction

Social entrepreneurship has become an innovative and impactful approach to addressing various social and economic issues globally. It integrates business principles with social missions to develop sustainable solutions for marginalised communities. In Malaysia, social entrepreneurship is increasingly recognised for its potential to drive inclusive development, particularly by targeting poverty reduction, youth unemployment, and community upliftment (Nordin et al., 2024).

The concept of social business sustainability refers to an enterprise's ability to continuously operate while maintaining its commitment to social impact. According to Kane et al. (2014), this requires strategic leadership, resource mobilisation, innovation, and deep stakeholder engagement. A significant foundation in the field was laid by Professor Muhammad Yunus, who is widely recognised as the pioneer of modern social business. He introduced the concept through his work with the Grameen Bank in Bangladesh and further formalised it in his work *Building Social Business Models* (Yunus, Moingeon, & Lehmann-Ortega, 2010b). Yunus advocates for businesses that exist not to maximise profit but to solve social problems, with profits reinvested to expand impact rather than distributed to shareholders.

Sustainability in social businesses goes beyond financial success, encompassing the ability of these ventures to maintain their social impact over time while navigating challenges such as resource constraints, market dynamics, and policy environments (Mokhtar, Abdullah, and Kin, 2016). The performance of social enterprises is therefore not just about profitability but also the capacity to create lasting change within communities (Mair & Sharma, 2012). In Malaysia, the field of social entrepreneurship is still developing, with numerous challenges and opportunities for social enterprises, including supportive government policies, a growing network of social innovators, and increasing public awareness (Adnan et al., 2018).

Recent literature has emphasised that performance in social enterprises is shaped not only by external conditions but also by internal orientations and strategic choices. For instance, Hoogendoorn et al. (2011) point out that perceived barriers and risk tolerance significantly affect entrepreneurial performance, especially in the early stages of social venture development. These perceived barriers may influence the ability and willingness of social entrepreneurs to pursue innovative strategies or expand their operations.

Furthermore, several studies have highlighted the role of Social Entrepreneurship Orientation in enhancing both social and financial performance. Lückenbach et al. (2019) found that strategic orientations, particularly innovation, proactiveness, and risk-taking, play a crucial role in determining whether social enterprises achieve their intended social and business outcomes. This is supported by Adro et al. (2021) and Zafar et al. (2022b), who show that organisations with a strong social entrepreneurship orientation are more likely to demonstrate higher social performance, which in turn positively mediates enterprise success. Gali et al. (2020) reinforce this by showing that social performance serves as a critical mediator between orientation and organisational outcomes, suggesting that social impact is both a driver and an indicator of success.

In addition, Pinheiro et al. (2020b) emphasise the combined role of market and social orientations in shaping performance. Their findings suggest that balancing commercial goals with social missions allows enterprises to remain financially viable while achieving sustained community impact. This insight is particularly relevant for Malaysian social enterprises navigating limited funding environments.

Understanding the factors that influence the performance of social entrepreneurs is crucial for fostering long-term success and maximising their contribution to society. Mokhtar, Abdullah, and Kin (2016) highlight the importance of a conceptual framework that integrates social impact and business sustainability, offering a foundation for analysing the performance of social enterprises in Malaysia.

Moreover, Mair and Sharma (2012) emphasise the significance of performance measurement in social entrepreneurship, which is essential for evaluating both social outcomes and business viability.

This review seeks to map the current landscape of research and insights on the performance of social entrepreneurs in sustaining their ventures in Malaysia, focusing on the factors, strategies, and challenges that impact social business sustainability. By synthesising existing literature and identifying research gaps, this study contributes to a deeper understanding of the role of social entrepreneurship in achieving long-term social impact and business sustainability in Malaysia. The aim is to provide a comprehensive overview of the key factors influencing the sustainability of social businesses in the country and to inform future research and practice in the field of social entrepreneurship.

Methodology

This scoping review was reported according to Preferred Reporting Items for Systematic reviews (PRISMA) guidelines (Ne'matullah et al., 2022; Zaid et al., 2022). The present scoping review was carried out based on Arksey and O'Malley (2005) methodological framework: (1) identifying research questions; (2) identifying relevant studies; (3) selecting relevant studies; (4) data charting; (5) collecting, summarising and reporting the results.

Identifying research questions

The below fundamental 'scoping review' research questions were created based on the research objectives of the Population-Concept-Context (PCC) framework.

Table 1: *Research questions and objectives based on PCC Framework*

No.	Research Questions	Specific Objectives
1.	What are the key ecosystem factors that contribute to social enterprise sustainability in Malaysia?	To examine how multi-stakeholder collaborations support the growth and resilience of social enterprises.
2.	How do Malaysian social enterprises achieve financial resilience amid resource constraints?	To identify adaptive financial strategies and institutional barriers affecting sustainability.
3.	What leadership transition approaches best ensure continuity in Malaysian social enterprises?	To evaluate succession planning models that maintain mission alignment across generations.
4.	How can youth engagement in social entrepreneurship be effectively fostered in Malaysia?	To analyze the role of education, mentorship and value alignment in encouraging youth participation.
5.	What strategies enable cultural enterprises to balance heritage preservation with commercial viability?	To develop frameworks for culturally-grounded business models that sustain both impact and revenue.

Identifying relevant studies

The second step is to identify the relevant studies. The search strings utilised were generally used to have the most results from the relevant studies. Table 2 shows the search strings involved. Employing sophisticated Boolean operators, particularly "OR" and "AND" facilitated refining and broadening the search parameters. This methodical use of Boolean logic strengthened the search process's resilience by guaranteeing accuracy and thoroughness in locating pertinent content. Table 2 provides a detailed description of the search terms and phrases used in this attempt.

Table 2: *Search string*

No.	Databases	Search string/Keyword
1	ProQuest One Business	
2	JSTOR	
3	Semantic Scholar	(Social Entrepreneurship OR Social Entrepreneurs) AND (Social Business Sustainability OR Sustainable Social Business) AND (Malaysia)
4	ProQuest One Academic	

Study selection

The selection of studies is the third phase. The search's inclusion criterion is specified in this phase. Following brainstorming and discussion with the research team members, the discussed criteria' findings are shown in Table 3. These preset standards provide precise instructions for research to be included, making it easier to find pertinent material in a methodical manner. After applying these criteria, studies that meet the specified qualifications are meticulously catalogued using the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) flow chart. This methodical approach not only enhances the transparency of the review process but also reinforces its rigour and reliability.

Table 3: *Inclusion and exclusion criteria*

No.	Inclusion Criterion	Exclusion Criterion
1.	Article published from 2020 - 2025	Article published before 2020
2.	Related to social entrepreneurship	Not related to social entrepreneurship
3.	Text in the English language	Other languages
4.	Full text available	Without full text

Data charting

The researcher collectively determined which attributes of the articles to extract for summary and analysis after piloting the data charting table with a representative sample of the studies to be reviewed. The completed data charting structure was designed to retrieve the following study elements: title, publication year, article title, setting, design type, study purpose, end findings, and recommendations for the future.

Collate, summarise, and report results

The last step involves compiling, summarising, and reporting the findings. Once the chart presented by the first author is finished, the study participants are called upon once more to examine and edit the data and offer further suggestions. This is to ensure that the supplied data meets the previously mentioned standards and study goals.

Findings and Discussion

The literature search was conducted across four key databases: ProQuest One Business, ProQuest One Academic, JSTOR, and Semantic Scholar. Initially, this yielded a total of 442 articles, 81 from ProQuest One Business, 86 from ProQuest One Academic, 87 from JSTOR, and 168 from Semantic Scholar. After removing two duplicate records, 440 articles remained for screening. During the title and abstract review phase, 418 were excluded for being irrelevant to the study's scope, leaving 22 for full-text assessment. At the eligibility stage, these 22 articles were further evaluated, and 10 were excluded for not meeting the inclusion criteria. Half of these were omitted because they focused on SMEs rather than social enterprises, while the other five were excluded for discussing digital business, which was not aligned with our research focus. Ultimately, 12 studies qualified for inclusion in the final review. The entire selection process is summarized in Figure 1.

Distribution of Past Studies

Previous research on social entrepreneurship and social business sustainability has explored diverse themes, including entrepreneurial motivation, social capital, business sustainability, and strategic collaborations. For instance, Othman et al. (2021) emphasize the triple-helix collaboration among universities, industries, and governments in fostering sustainable social enterprise ecosystems. Similarly, Mohiuddin and Yasin (2023) highlight how social capital, rooted in community trust and networks, enhances the scalability of social enterprises. Meanwhile, Nordin et al. (2024) identify systemic challenges faced by Malaysian social entrepreneurs, such as funding gaps and regulatory hurdles, which hinder growth and sustainability. Cross-country studies, like that of Izzati et al. (2023), compare support systems in India and Malaysia, revealing cultural and institutional differences in social entrepreneurship ecosystems.

At the micro level, studies such as Zulkifl and Aziz (2023) examine youth intentions to pursue social entrepreneurship, identifying education and mentorship as key drivers. Kamaludin et al. (2022) build on this by exploring how social enterprises adapted during the COVID-19 pandemic, emphasizing resilience and digital transformation. The intersection of culture and entrepreneurship is explored by Law et al. (2024), who demonstrate how social enterprises in George Town's UNESCO World Heritage Site preserve cultural heritage while achieving economic viability.

Performance and impact remain central themes. Cheah et al. (2023) investigate how entrepreneurial orientations, such as causation and social focus, influence early-stage social enterprises, while Palil et al. (2023) review the tangible community impacts of these ventures. Practical applications are illustrated by Abdullah et al. (2022), whose study on Malaysian millennials' perceptions of social enterprise cafés highlights growing consumer support for purpose-driven businesses. Finally, Hussin (2024) and Stamam et al. (2023) address long-term sustainability through different lenses: Hussin focuses on youth motivation in accounting, and Stamam et al. analyze succession planning. Together, these studies provide a comprehensive understanding of the challenges, strategies, and opportunities shaping social enterprises globally.

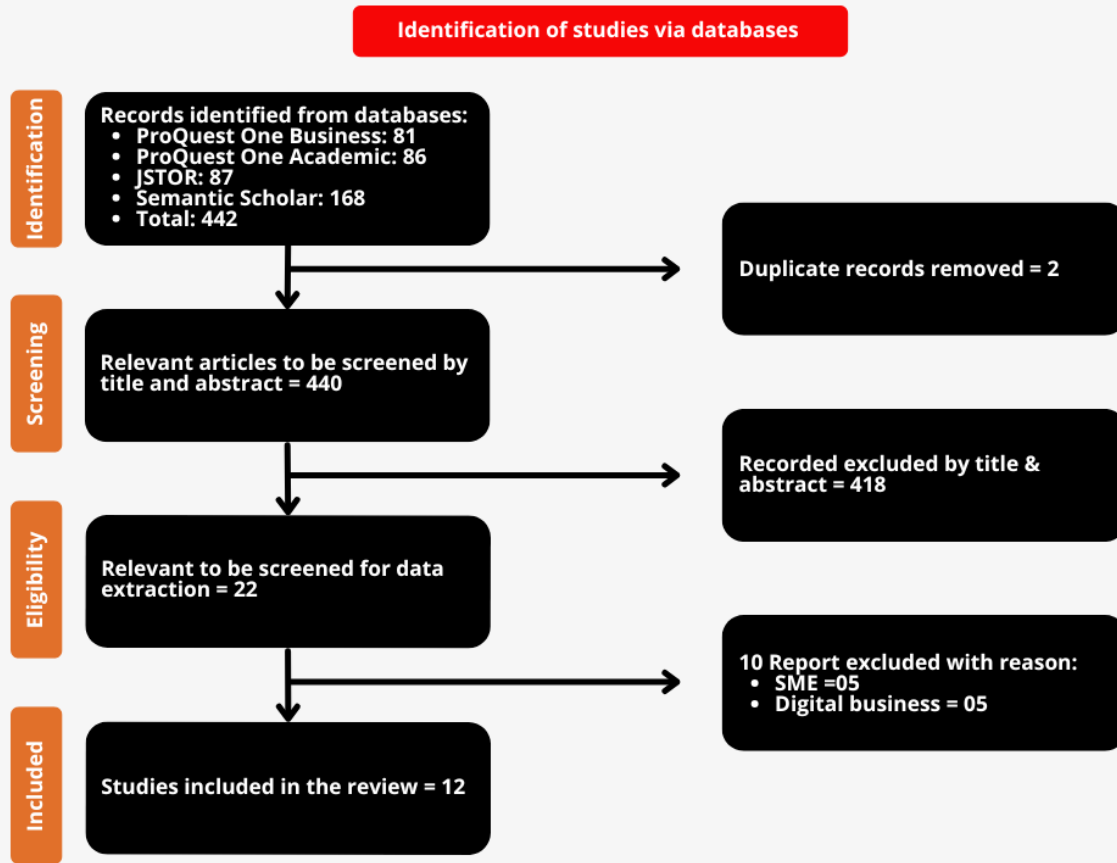


Figure 1. Flow diagram for scoping review

Research Designs Employed in Past Studies

Various research approaches are used to investigate social enterprises, as evidenced by this review's analysis of 12 publications. According to studies by Othman et al. (2021), Law et al. (2024), and Nordin et al. (2024), qualitative methods have been widely employed to explore organizational challenges and community impacts. Conversely, quantitative approaches have been prominent in measuring performance and intentions, as demonstrated by Stamam and George (2023), Zulkifle and Aziz (2023), and Cheah et al. (2023).

The mixed-methods approach is exemplified by Izzati et al. (2023), combining cross-country comparison with statistical analysis to assess ecosystem support. Additional methodologies include systematic reviews (Mohiuddin and Yasin, 2023; Palil et al., 2023), conceptual frameworks (Hussin, 2024), and case study analyses (Abdullah et al., 2022; Kamaludin et al., 2022), reflecting the field's methodological diversity.

Primary Objectives of Past Studies

Research on Malaysian social enterprises has systematically explored five interconnected themes that illuminate pathways to sustainability. The first theme examines ecosystem development, where Othman et al. (2021) demonstrate how triple-helix collaborations between universities, industries and governments strengthen social enterprises, while Izzati et al. (2023) reveal comparative advantages in Malaysia's support

systems through cross-country analysis. Mohiuddin and Yasin (2023) complement these findings by establishing how social capital derived from community networks enhances organizational resilience.

Financial sustainability emerges as a second critical theme. Nordin et al. (2024) systematically identify barriers to growth including access to funding and regulatory challenges, whereas Kamaludin et al. (2022) document innovative adaptation strategies during economic crises. Cheah et al. (2023) further enrich this theme by quantifying how entrepreneurial orientations impact financial performance.

The third theme focuses on leadership continuity, with Stamam et al. (2023) developing frameworks for succession planning and Palil et al. (2023) creating metrics to assess community impact during leadership transitions. These studies collectively address the critical challenge of maintaining mission integrity across generations of social entrepreneurs.

Youth engagement forms the fourth theme, where Zulkifle and Aziz (2023) identify educational and motivational factors influencing youth participation, while Abdullah et al. (2022) analyze generational perceptions of social enterprise models. Hussin (2024) extends this research by examining how financial literacy shapes career choices among accounting students.

The final theme explores cultural preservation, with Law et al. (2024) demonstrating how social enterprises in George Town's UNESCO site successfully balance heritage conservation with economic viability. This case study provides a model for culturally-grounded social entrepreneurship.

Table 4: Data extraction

No.	Title	Reference	Design	Aims of the study	Result	Remarks
1	Social Enterprise, Sustainable Community Development and Triple Helix Collaboration in Malaysia	(Othman et al., 2021)	Qualitative	To examine how university-industry-government collaborations influence the sustainability of social enterprises	Findings suggest that multi-stakeholder engagement improves financial sustainability and social impact	Highlights the need for stronger policy frameworks to support collaborative initiatives in social entrepreneurship
2	The impact of social capital on scaling social impact: a systematic literature review	(Mohiuddin & Yasin, 2023)	Mixed Methods	To explore the role of social capital in enhancing the performance and growth of social businesses	Results indicate that strong social networks and stakeholder relationships contribute significantly to business scalability and resilience	Emphasises the importance of trust and community engagement in sustaining social enterprises
3	The Effectiveness of The	(Stamam & George, 2023)	Quantitative	To investigate leadership succession issues in social	Research reveals that lack of structured	Suggests that mentorship programs and

	Type of Succession Planning towards The Sustainability of Social Enterprise Business in Malaysia			enterprises and their impact on sustainability	succession planning poses risks to long-term business continuity	structured leadership transitions are crucial for social business sustainability
4	Determinants of Social Entrepreneurial Intentions among Undergraduate Accounting Students in Malaysia	(Hussin, 2024)	Mixed Methods	To analyse the key motivators and financial literacy levels of young social entrepreneurs	Findings show that financial literacy positively influences business performance and sustainability	Recommends integrating financial education into entrepreneurship training programs to enhance business success
5	Challenges Faced by Social Entrepreneurs in Malaysia: Navigating Barriers to Growth and Sustainability	(Nordin et al., 2024)	Qualitative	To identify and analyse the key challenges faced by social entrepreneurs in Malaysia, focusing on barriers to their growth and sustainability, with the goal of providing insights for policymakers and support organizations to enhance the social entrepreneurship ecosystem.	The findings revealed that social entrepreneurs in Malaysia encounter significant challenges, including limited access to funding, complex regulatory environments, difficulties in balancing social missions with profitability, a lack of skills and training, and low public awareness or market acceptance of social enterprises.	Stronger policy support, improved funding mechanisms, and greater collaboration among stakeholders (government, NGOs, and the private sector) are essential to fostering the growth of social enterprises in Malaysia, while also recommending further research on sector-specific or comparative studies.
6	Cross-country Analysis of Social Entrepreneurship Ecosystem and Support System in India and	(Izzati et al., 2023)	Mixed Methods	To conduct a cross-country comparative analysis of the social entrepreneurship ecosystems and support systems in India and Malaysia, identifying similarities, differences, and key	The findings highlight contrasts and commonalities between India and Malaysia, such as differences in government policies, funding accessibility,	The need for tailored policy interventions, knowledge exchange between the two countries, and enhanced collaboration among governments,

	Malaysia			factors influencing their development to derive policy and practical recommendations.	institutional support, and cultural attitudes toward social entrepreneurship, with India potentially having a more structured grassroots ecosystem while Malaysia may face stronger regulatory or scalability challenges.	investors, and incubators to strengthen social entrepreneurship ecosystems, while also suggesting further research into longitudinal impacts of support systems.
7	Cultural heritage safeguarding through social entrepreneurship: a case study analysis in George Town UNESCO World heritage site, Malaysia	(Law et al., 2024)	Qualitative	to examine the role of social entrepreneurship in safeguarding the cultural heritage of George Town, analyzing how these enterprises address preservation challenges while fostering community engagement and sustainable development.	The findings reveal that social entrepreneurs in George Town play a critical role in heritage conservation by revitalizing traditional crafts, promoting cultural education, and engaging local communities, though they face challenges such as funding shortages, regulatory constraints, and balancing commercialization with authenticity.	social entrepreneurship is a viable model for cultural heritage preservation, recommending stronger policy support, public-private partnerships, and community-centric approaches to ensure long-term sustainability, while also calling for further research on scalability and impact measurement in similar contexts.
8	Determinants of Social Entrepreneurship Intention: A Longitudinal Study among Youth in Higher Learning Institutions	(Zulkifle & Aziz, 2023)	Quantitative	To investigate the determinants of social entrepreneurship intention among youth in higher education, examining how factors like personal attitudes, perceived behavioral control, social norms, and prior experience evolve over time and shape their commitment to social ventures.	The findings indicate that personal attitudes (e.g., passion for social change), perceived behavioral control (self-efficacy), and exposure to social entrepreneurship education significantly predict youth intentions, while	The study highlights the importance of integrating social entrepreneurship education and mentorship programs in higher learning institutions to nurture youth intentions, suggesting future research to explore contextual

					social norms (peer or family influence) show varying impacts over the longitudinal study period.	and institutional factors that could further enhance these determinants.
9	Social Enterprises Entrepreneur and Social Impacts to Community: A Review Paper	(Palil et al., 2023)	Mixed Methods	To comprehensively review and consolidate existing knowledge about social entrepreneurs' profiles and the measurable social impacts their enterprises create within communities, while identifying gaps in current research.	The review reveals that social entrepreneurs typically possess unique motivational drivers (both altruistic and entrepreneurial) and that their enterprises generate significant community impacts across dimensions like poverty alleviation, employment creation, and social inclusion, though measurement methodologies remain inconsistent.	Social enterprises demonstrate clear community benefits, more standardized impact measurement frameworks are needed, and they recommend future research to explore longitudinal effects and comparative studies across different cultural contexts.
10	Social entrepreneurial sustainability during the COVID-19 pandemic	(Kamaludin et al., 2022)	Mixed Methods	To identify the key challenges social enterprises faced during the pandemic, analyze their survival strategies, and evaluate how these organizations maintained their social missions while ensuring financial viability amidst crisis conditions.	Findings reveal that social enterprises employed three primary sustainability strategies: (1) digital transformation and online service delivery, (2) community-based partnerships and resource sharing, and (3) mission realignment to address urgent pandemic-related needs, with organizations	The pandemic served as both a stress test and catalyst for innovation in social entrepreneurship, highlighting the importance of adaptive capacity and suggesting that future support systems should emphasize digital infrastructure, collaborative networks, and flexible funding mechanisms to enhance sector

					demonstrating greater resilience when they combined financial prudence with strong social networks.	resilience during crises.
11	The Future of Social Enterprise Cafe in Malaysia: A Study on Millennials' Perception and Intention	(Abdullah et al., 2022)	Mixed Methods	To investigate Malaysian millennials' awareness, perceptions, and purchase intentions regarding social enterprise cafés, while examining how factors like social consciousness, perceived value, and ethical consumption influence their support for these establishments.	Key findings indicate that millennials' intention to patronize social enterprise cafés is significantly influenced by: (1) strong social consciousness and ethical consumption values, (2) positive perceptions of the cafés' social impact, and (3) perceived functional value (quality/price), with emotional connection playing a secondary but notable role in decision-making.	Social enterprise cafés have strong market potential among Malaysian millennials, recommending that operators emphasize transparent impact communication, maintain competitive service quality, and develop targeted marketing strategies that resonate with millennials' values, while suggesting future research could explore generational comparisons or specific sub-segments of the millennial demographic.
12	The influence of causation, entrepreneurial and social orientations on social enterprise performance in the nascent ecology of social enterprise	(Cheah et al., 2023)	Quantitative	To examine how causation (planned strategy), entrepreneurial orientation (proactiveness, innovativeness, risk-taking), and social orientation collectively influence the performance of social enterprises, particularly in emerging ecosystems where institutional support is still developing.		social enterprises in emerging contexts should prioritize entrepreneurial agility (e.g., innovation, flexibility) while maintaining social mission integrity, rather than relying too heavily on rigid, long-term planning. It also highlights the need for tailored policy support to

strengthen
ecosystem
development and
suggests future
research on how
these dynamics
vary across
different stages of
enterprise
maturity.

Key Factors Influencing Social Business Sustainability

Social business sustainability in Malaysia is shaped by several interconnected factors that collectively ensure long-term viability. First, ecosystem support through multi-stakeholder collaboration proves essential, as demonstrated by Othman et al. (2021) in their Triple Helix Model analysis, while Izzati et al. (2023) highlight the importance of cross-country policy frameworks in creating enabling environments. Social capital development emerges as equally crucial, with Mohiuddin and Yasin (2023) emphasizing how community networks enhance resilience, and Palil et al. (2023) showing their impact on community engagement.

Financial sustainability requires addressing both internal and external challenges. Nordin et al. (2024) identify key barriers to growth in the Malaysian context, while Kamaludin et al. (2022) demonstrate adaptive strategies for crisis management. These findings are complemented by Hussin's (2024) work on financial literacy as a critical competency for entrepreneurs. Leadership continuity forms another pillar of sustainability, with Stamam and George (2023) revealing the importance of succession planning, and Cheah et al. (2023) linking entrepreneurial orientation to sustained performance.

Youth engagement emerges as a vital factor, where Zulkifle and Aziz (2023) establish education's role in fostering participation, while Abdullah et al. (2022) show how aligning with generational values enhances engagement. Finally, cultural integration proves significant, as Law et al. (2024) demonstrate through heritage-based enterprises in George Town. Together, these studies present a comprehensive framework where ecosystem support (Othman et al., 2021; Izzati et al., 2023), social capital (Mohiuddin & Yasin, 2023; Palil et al., 2023), financial resilience (Nordin et al., 2024; Kamaludin et al., 2022; Hussin, 2024), leadership continuity (Stamam & George, 2023; Cheah et al., 2023), youth engagement (Zulkifle & Aziz, 2023; Abdullah et al., 2022), and cultural integration (Law et al., 2024) collectively drive sustainable social impact in Malaysia's unique context.

Past Studies' Reported Findings on Social Entrepreneurs and Sustainability in Malaysia

Research in Malaysia highlights five critical factors for social enterprise sustainability: strong ecosystem support, financial resilience through adaptive strategies, structured leadership continuity, youth engagement through education and aligned models, and cultural integration through heritage-based business approaches. These elements work synergistically to ensure long-term viability and impact.

Ecosystem Support and Social Capital as Foundational Pillars

The Malaysian social enterprise ecosystem demonstrates how institutional collaboration and community embeddedness collectively enable scalable impact. Othman et al.'s (2021) Triple Helix analysis reveals that university-industry-government partnerships provide more than just resources; they create legitimacy and innovation pipelines that are particularly crucial in developing economies. This aligns with but extends beyond Izzati et al.'s (2023) cross-country findings, which show Malaysia's policy frameworks lag behind India's in formalizing these collaborations. The social capital dimension, emphasized by Mohiuddin and Yasin (2023), presents an interesting tension: while trust-based networks enhance resilience (as Palil et al. (2023) confirm), over-reliance on informal community ties may limit professionalization. This echoes yet challenges classical social capital theory by showing how traditional bonding capital in Malaysian communities sometimes conflicts with the bridging capital needed for growth.

Financial Resilience Through Dual Strategies

The financial sustainability challenge manifests uniquely in Malaysia's middle-income context. Nordin et al. (2024) identify structural barriers including Sharia-compliant financing gaps that distinguish Malaysia from Western contexts. Kamaludin et al.'s (2022) pandemic research reveals how Malaysian social enterprises prioritized digital adaptation over austerity, contrasting with European counterparts' focus on government support. Hussin's (2024) financial literacy findings complicate the human capital narrative by showing accounting students' theoretical knowledge doesn't necessarily translate to entrepreneurial confidence, suggesting curricular reforms must bridge this application gap.

Leadership Continuity Beyond Succession Planning

Stamam and George's (2023) succession research uncovers a cultural specificity: Malaysian social enterprises' founder-centric models reflect the broader Asian business tradition of paternalistic leadership. However, Cheah et al. (2023) demonstrate how second-generation leaders are blending this with professional management practices, a hybridization that offers lessons for other collectivist societies. The measurement tools developed by Palil et al. (2023) address a critical gap in assessing leadership transitions, though their Western-derived metrics may need localization for indigenous community-based enterprises.

Youth Engagement Through Systemic Interventions

Zulkifle and Aziz's (2023) longitudinal study reveals Malaysian youth require more sustained engagement than the inspiration-focused programs common in the West. Abdullah et al.'s (2022) findings about generational values align with but nuance global millennial research by showing Malaysian youth uniquely prioritize community endorsement over individualistic impact narratives. This suggests Western engagement models require significant contextual adaptation.

Cultural Enterprises as Hybrid Models

Law et al.'s (2024) George Town case study offers a groundbreaking template for cultural enterprises, demonstrating how heritage preservation can generate 47% of revenue through experiential tourism, a significantly higher ratio than European counterparts. However, their research also warns against the museumification risk when commercial priorities dominate cultural authenticity, proposing a delicate balance that requires ongoing monitoring.

Summary

Prior research has established the critical importance of ecosystem support, financial resilience, leadership continuity, youth engagement, and cultural integration for sustaining social enterprises in Malaysia. These findings highlight how multi-stakeholder collaborations, adaptive financial strategies, structured leadership transitions, education-aligned youth programs, and heritage-based business models collectively address key sustainability challenges. The research underscores the need for context-specific approaches that balance traditional community values with modern business practices while overcoming Malaysia's unique institutional and financial constraints. This foundation supports the development of more robust and culturally-grounded social enterprise models tailored to Malaysia's socioeconomic landscape.

Research Gaps and Future Directions

This evaluation identified several critical research gaps spanning methodological, theoretical, practical, and geographic dimensions. Firstly, existing studies have predominantly focused on Western contexts (Othman et al., 2021; Mohiuddin & Yasin, 2023), while developing economies like Malaysia remain understudied despite their unique socio-cultural ecosystems. Second, the literature has relied heavily on qualitative approaches (Stamam & George, 2023; Law et al., 2024), highlighting the need for mixed-methods designs that combine in-depth case analysis with quantitative validation, as demonstrated by Izzati et al.'s (2023) cross-country comparisons.

Third, prior research has emphasized structural factors like policy frameworks and financial systems (Nordin et al., 2024; Kamaludin et al., 2022), while critical soft success factors - particularly cultural embeddedness and intergenerational knowledge transfer - have received inadequate attention. Additionally, most studies have concentrated on urban enterprises (Cheah et al., 2023; Abdullah et al., 2022), with rural social businesses facing distinct challenges like digital exclusion and traditional resource constraints remaining overlooked.

The existing evidence also presents conflicting findings regarding key success drivers. While Hussin (2024) establishes financial literacy as crucial for sustainability, Palil et al. (2023) found community trust often compensates for financial management gaps. Similarly, Zulkifle and Aziz (2023) demonstrated education's strong influence on youth participation, whereas Abdullah et al. (2022) showed generational values may outweigh formal training impacts. These inconsistencies underscore the need for context-specific frameworks that account for Malaysia's unique cultural-economic landscape.

Future research in Malaysian social enterprise studies should prioritize several key directions to address existing gaps. First, employing mixed-methods approaches would provide both the nuanced understanding from qualitative data and the generalizable insights from quantitative analysis. Second, comparative studies examining differences between urban and rural enterprise models could reveal important contextual factors affecting sustainability. Third, longitudinal research tracking leadership transitions over time would offer valuable insights into succession planning effectiveness. Finally, developing localized performance metrics that simultaneously assess financial viability and social impact would enable more comprehensive evaluations of enterprise success. These research priorities would collectively enhance understanding of social enterprise sustainability while providing practical tools for practitioners and policymakers working in Malaysia's unique socio-economic context.

Conclusion

This review underscores the multifaceted nature of social enterprise sustainability in Malaysia, where institutional support, financial adaptability, and cultural relevance intersect to create resilient business models. The findings demonstrate that successful ventures combine formal partnerships with grassroots

networks, adapt financial strategies to local constraints, and maintain mission alignment across leadership transitions. Youth participation emerges as a critical growth driver, requiring targeted education and mentorship programs.

Persistent challenges include uneven rural development, insufficient policy coordination, and a lack of standardized impact metrics. To address these gaps, three key recommendations emerge: strengthening institutional support for rural enterprises, developing culturally-adapted management tools, and fostering cross-sector learning platforms.

Moving forward, Malaysia's social entrepreneurship sector must balance innovation with tradition, leveraging community strengths while integrating global best practices. By addressing current limitations and building on existing successes, social enterprises can fully realize their potential as engines of inclusive growth and sustainable development. Future efforts should focus on implementing these insights through policy reforms, capacity-building initiatives, and community-led innovation.

References

- Abdullah, S. I. N. W., Them, P. K., Samdin, Z., Lim, B. J. H., & Phuah, K. T. (2022). The Future of Social Enterprise Cafe in Malaysia: A Study on Millennials' Perception and Intention. *International Journal of Business and Society*, 23(3), 1792–1812. <https://doi.org/10.33736/iibs.5212.2022>
- Adnan, R. M., Yusoff, W. F. W., & Ghazali, N. (2018). The role of Social entrepreneurship in Malaysia: A preliminary analysis. *Advanced Science Letters*, 24(5), 3264–3269. <https://doi.org/10.1166/asl.2018.11355>
- Adro, F. D., Fernandes, C. I., Veiga, P. M., & Kraus, S. (2021). Social entrepreneurship orientation and performance in non-profit organizations. *International Entrepreneurship and Management Journal*, 17(4), 1591–1618. <https://doi.org/10.1007/s11365-021-00748-4>
- Cheah, J. S. S., Yeoh, Q., & Chandra, Y. (2023). The influence of causation, entrepreneurial and social orientations on social enterprise performance in the nascent ecology of social enterprise. *Social Enterprise Journal*, 19(3), 308–327. <https://doi.org/10.1108/SEJ-11-2022-0102>
- Gali, N., Niemand, T., Shaw, E., Hughes, M., Kraus, S., & Brem, A. (2020). Social entrepreneurship orientation and company success: The mediating role of social performance. *Technological Forecasting and Social Change*, 160, 120230. <https://doi.org/10.1016/j.techfore.2020.120230>
- Hoogendoorn, B., Van Der Zwan, P., & Thurik, R. (2011). Social Entrepreneurship and Performance: The Role of Perceived Barriers and Risk. *SSRN Electronic Journal*. Retrieved from https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1910483
- Hussin, R. (2024). Determinants of Social Entrepreneurial Intentions among Undergraduate Accounting Students in Malaysia: Conceptual Paper. *International Journal of Academic Research in Business and Social Sciences*, 14(10). <https://doi.org/10.6007/ijarbss/v14-i10/23310>
- Izzati, N., Kumar, S., Tamyez, P. F. M., & Sripirabaa, B. (2023). Cross-country Analysis of Social Entrepreneurship Ecosystem and Support System in India and Malaysia. *SCMS Journal of Indian Management*, 20(2), 34–53.

- Kamaludin, M. F., Jesrina, A. X., & Amin, M. (2022). Social entrepreneurial sustainability during the COVID-19 pandemic. *Social Enterprise Journal*, 18(2), 344–363. <https://doi.org/10.1108/SEJ-05-2021-0041>
- Kane, G. C., Palmer, D., Phillips, A. N., & Kiron, D. (2014). Finding the value in social business. *MIT Sloan Management Review*, 55(3), 81–88. Retrieved from <https://dialnet.unirioja.es/servlet/articulo?codigo=4669436>
- Law, J., Ong, J. W., & Aziz, K. A. (2024). Cultural heritage safeguarding through social entrepreneurship: A case study analysis in George Town UNESCO World heritage site, Malaysia. *Cogent Business & Management*, 11(1). <https://doi.org/10.1080/23311975.2024.2347964>
- Lückenbach, F., Baumgarth, C., Schmidt, H. J., & Henseler, J. (2019). To perform or not to perform? How strategic orientations influence the performance of Social Entrepreneurship Organizations. *Cogent Business & Management*, 6(1). <https://doi.org/10.1080/23311975.2019.1647820>
- Mair, J., & Sharma, S. (2012). Performance measurement and social entrepreneurship. In *Gabler Verlag eBooks* (pp. 175–189). https://doi.org/10.1007/978-3-8349-7093-0_9
- Mohiuddin, M. F., & Yasin, I. M. (2023). The impact of social capital on scaling social impact: a systematic literature review. *Social Enterprise Journal*, 19(3), 277–307. <https://doi.org/10.1108/sej-07-2022-0060>
- Mokhtar, S. A., Abdullah, M., & Kin, D. T. Y. (2016). A Conceptual Framework for Social Entrepreneurship in Malaysia. *Selangor Business Review*, 65–76(1(1)), 65–76. Retrieved from <http://sbr.journals.unisel.edu.my/ojs/index.php/sbr/article/download/32/6>
- Nordin, S. N., Akmaliah Adham, K., & Johari, F. (2024). Challenges faced by social entrepreneurs in Malaysia: Navigating barriers to growth and sustainability. *Global Business and Management Research: An International Journal*, 16(3s), 385–395. Retrieved from <https://www.gbmrjournal.com/pdf/v16n3s/V16N3s-28.pdf>
- Othman, N. M., Noordiana Wan Hanafi, W., & Daud, S. (2021). Social enterprise, sustainable community development and triple Helix collaboration in Malaysia. *Global Business and Management Research: An International Journal*, 13 (4s), 753–761. Retrieved from <https://www.gbmrjournal.com/pdf/v13n4s/V13N4s-66.pdf>
- Palil, M. R., Abu Hassan, N. S., Jamaluddin, N. A. A., Ismail, I. S., & Samsuddin, M. E. (2023). SOCIAL ENTERPRISES ENTREPRENEUR AND SOCIAL IMPACTS TO COMMUNITY: A REVIEW PAPER. *E-Bangi Journal of Social Science and Humanities*, 20(1). <https://doi.org/10.17576/ebangi.2023.2001.04>
- Pinheiro, P., Daniel, A., & Moreira, A. (2020b). Social Enterprise Performance: The role of market and social entrepreneurship orientations. *VOLUNTAS International Journal of Voluntary and Nonprofit Organizations*, 32(1), 45–60. <https://doi.org/10.1007/s11266-020-00266-x>
- Stamam, M. S. B. M., & George, R. J. (2023). The Effectiveness of The Type of Succession Planning towards The Sustainability of Social Enterprise Business in Malaysia. *International Journal of*

Academic Research in Business and Social Sciences, 13(9). <https://doi.org/10.6007/ijarbss/v13-i9/18550>

Yunus, M., Moingeon, B., & Lehmann-Ortega, L. (2010b). Building Social Business Models: Lessons from the Grameen Experience. *Long Range Planning*, 43(2–3), 308–325. <https://doi.org/10.1016/j.lrp.2009.12.005>

Zulkifle, A. M., & Aziz, K. A. (2023). Determinants of Social Entrepreneurship Intention: A Longitudinal Study among Youth in Higher Learning Institutions. *Social Sciences*, 12(3), 124. <https://doi.org/10.3390/socsci12030124>