

INFLUENCE OF BUSINESS NETWORKING AND BUSINESS INFORMATION ON SOCIAL PERFORMANCE OF SOCIAL ENTERPRISES: THE MODERATING ROLE OF ACCESS TO FINANCE

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ABSTRACT

Social enterprise is a business that makes a profit for its survival along with doing good for society and the community. Taking into consideration the radical view of the RBV theory and signalling theory, the purpose of this study is to examine the influence of business networking, business information and access to finance on the social performance of social enterprises in Pakistan. Primary data collection was done by distributing questionnaires through electronic mediums to owners and directors of social enterprises throughout Pakistan and 384 feedback is received. Data were analysed using Partial Least Square Structural Equation Modelling. This study found positive and significant influence of business information, and access to finance on social performance of social enterprises in Pakistan. Moreover, business networking also has a positive and significant influence on social performance. Access to finance positively moderates the relationship between business networking and social performance, while it has a negative impact on business information and social performance. Therefore, the study recommends that social enterprises in Pakistan should emphasise business networking, business information and access to finance to sustain their SE performance. This study assists

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owners/managers, government officials, regulatory authorities, and policymakers regarding the significance of business information, business networking and access to finance towards the social performance of social enterprise in Pakistan.

Keywords: Access to finance, business information, business networking, resource-based view theory, signalling theory, social performance

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1. INTRODUCTION

Social enterprises (SEs) play an important role in the global economy. According to World Bank research, some SEs have the potential to increase the income of poor households faster than that of average households (The World Bank, 2015). In many countries, SEs are a major sector of the economy in an attempt to reduce poverty and encourage the social development of vulnerable populations (Kim & Lee, 2018). SEs mostly generate businesses that are a source of income for different forms of socially focused organizations and communities (Bull & Ridley-Duff, 2019). SEs play an important role in the economies of the world. The Social Impact Investment Taskforce (2014) states that SEs play an essential role in the economy in some countries; they incorporate more than 5% of the GDP, like USA, Germany, UK, and Canada.

It is commonly assumed that social entrepreneurs are motivated by a strong sense of responsibility and dedication to helping others (Bacq & Eddleston, 2018). This causes them to initiate SEs, whose mission is influenced by the basic moral and ethical convictions of the entrepreneurs. Social vision motivates them to become entrepreneurial change agents and many social companies have major resource restrictions because their main social goal usually requires them to accept better profit margins to serve a greater number of beneficiaries (Eldar, 2020). In addition, they frequently work in places where it is difficult to obtain affordable resources. Consequently, several SEs are incapable of addressing large-scale issues, and their social influence is limited (Smith et al., 2016).

Despite early literature's recommendations that social businesses focus on their business aspects to know how variances in their capabilities cause variations in their social impact (Bacq & Eddleston, 2018), some empirical research has utilized resource-based view (RBV) theory to investigate the social impact of SEs. From the RBV approach, SEs are viewed as organizations, and the extent of a person's social effect is determined by their capability to develop, combine, and employ resources and competencies. As used in the social entrepreneurship sector, the RBV provides a framework for comprehending how a firm's resources and abilities enhance its competencies and provide its target audience more efficiently (Eldar, 2020).

In light of this, researchers apply the RBV by defining capabilities that focus on the social impact of the social enterprise. The Resource-Based View (RBV) is particularly applicable to the analysis of SEs due to its emphasis on the integration and effective management of various resources within the organization, as well as maximizing their utilization to enhance organizational performance

(Cheah et al., 2019). Resources are the methods by which an organization converts input into output, while capabilities are the acts by which resources are used to achieve its objectives. Thus, the RBV describes a company as a collection of resources and capabilities that are produced over time through interactions with stakeholders (Lubis, 2022).

In addition, SEs frequently try to collect resources and develop capabilities that encourage people to collaborate, share information, and take initiative. One of the most important strategic resources for small businesses is the business network to develop in both dynamic and competitive market environments (Pulka et al., 2021). Information is also one of the main resources of any organization (Shafiee & Moqadam, 2017).

In Pakistan, social entrepreneurship is becoming more popular, but progress is slow (Kazmi et al., 2016). However, in Pakistan, SEs have brought about some degree of revolutionary change related to providing jobs and new business creation, alleviating poverty, and increasing social investment or trade. For developing economies, such as Pakistan, social entrepreneurship is essential for improving economic development. It is a crucial aspect of the social economy, which is an essential part of economic reality (Kazmi et al., 2016). The SE in Pakistan would benefit from capitalizing more on the sharing of domestic information, creating support and networks to build more diverse types of finance, and therefore increasing self-financing capacity. There is a need for awareness to adapt to the SE sector's financial and non-financial growth in Pakistan's economic and socio-political realities (Ali & Darko, 2015).

In Pakistan, social entrepreneurs face many obstacles, such as poor business networking, financial hardships, a lack of information, a lack of innovation and infrastructure, and reliance on outdated technology. All of these factors restrict small enterprises to long-term development and poor social performance (Shahzad et al., 2023). In a country like Pakistan, SEs are strictly advised to develop awareness that would greatly affect social performance (Ahmed et al., 2019). Many factors, such as business information and networking, affect the social performance of SEs (Hussain et al., 2023). However, there is no evidence to assess the impact of business information and networking on performance, particularly the social performance of SEs in Pakistan.

Therefore, this study aims to evaluate the effect of business information, access to finance, and business networking on the social performance of SEs in Pakistan. To the best of our knowledge, this research is the first academic attempt to conduct a comprehensive analysis of the business information, business networking, access to finance, and social performance of SEs in Pakistan.

2. LITERATURE REVIEW AND DEVELOPMENT OF HYPOTHESES

2.1 Social Performance (SP)

Social performance relates to the enhancement of organizational reputation through the adoption of practices that safeguard society and the welfare of employees through environmental practices. It involves a company's evident commitment to social responsibility issues such as awareness, community and society, and environmental issues (Cho & Kim, 2017). Social enterprise's social performance is a combination of two things: 1) its social impact, or the good things it aims to do for the people it's supposed to help, and 2) its social responsibility, or how well its actions and inputs follow social and environmental standards (Hertel et al., 2020).

Measuring and reporting SP and social effect is becoming widely recognised as essential for organisations and various stakeholders (Ormiston, 2019). Within the field of social entrepreneurship, social impact measurements encompass several indicators, such as the proportion of beneficiaries who have successfully secured long-term employment through the assistance of SEs, the rate of reducing poverty, the number of jobs generated in rural areas (Cheah et al., 2019), and others. It can also be helpful to make people more aware of the adverse impacts that businesses have on society by measuring their SP (Rawhouser et al., 2019).

The measurement of the SP of SEs has been inadequately theorized, Zafar et al. (2022), such as the lack of unified agreed concepts. Therefore, SEs is multidimensional and cannot be assessed only as the best benefit evaluation in terms of financial performance measures (Hussain et al., 2023). The growth indicators of SEs require the consideration of both financial and social logic (Biancone & Radwan, 2019).

SEs work in different industries, including education, service, agriculture, health, and social services. Therefore, their different organizational structures indicate that different metrics can be applied to measure the SP of SEs (Staessens et al., 2019). This study determines the dimensions of measurement that are important for a social enterprise. It examines SP in order to measure the performance of a social enterprise.

Pinheiro et al. (2021) examined a study in Portugal that explained the relationship between entrepreneurial orientation, market orientation, and SP in SEs. Structural equation modelling was used to evaluate the hypothesized relationships. In this study, the sample size was 805 SEs in Portugal. The results indicate that both social entrepreneurship and market orientation significantly impact on SP.

2.2 Business Information (BI) and Social Performance (SP)

BI refers to any set of information or a group of information that functions together to provide a business with a competitive edge in supporting such practices as forecasting, training, monitoring, communication, decision-making, and organizational activities. On the other hand, it describes it as knowledge of certain variables that are outside and usually outside the control of the company and that have a strong commercial consequence (Ojo et al., 2015).

Accessibility of BI may also be defined as supplying a person with the right information to conduct a particular business activity. BI contains reports of the organization, data on share prices, profiles of the employees, directories of the companies, business statistics, market research reports, profiles of the countries, and other materials that are associated with information. Information sources for company managers include informal sources (colleagues and friends), newspapers, print sources (business literature, journals, and reports), mass media (TV and radio), information centers, and the internet (Ojo et al., 2015). BI is the portion of information about the activities of the company, markets, clients, competitors, other factors, and actors in the business environment of the company (Hannula & Pirttimaki, 2005).

Ojo et al. (2015) performed this study to examine the relationship between BI and the performance of SMEs in Nigeria. This study finds that SME performance is positively affected by the utilization of BI. Keh et al. (2007) conducted research to examine the relationship between information utilization, on the performance of SMEs in Singapore. The findings and results of this study indicate that use of information and has a direct impact on business performance.

In a Tunisian study, Arfaoui et al. (2019) described the relationship between information and SP in the banking industry. The results and findings of this study showed that information has a significant effect on SP. Rehman et al. (2022) conducted another study in China, elucidating the relationship between information asymmetry and the SP of Chinese listed companies. According to this research, information has a positive and significant effect on SP. Therefore, building on the earlier discussion, this study formulates the following hypotheses:

H1: BI has a positive and significant influence on the SP of SEs in Pakistan.

2.3 Business Networking (BN) and Social Performance (SP)

BN is a mechanism in which organized partnerships are created, providing networks through which knowledge regarding other individuals and organizations may be easily obtained, checked, and confirmed for the organization's advantage (Mano, 2014). Many forms of networking exist in the business world. However, only a few approaches were used to establish networking in ancient times. Traditional networking, such as face-to-face communication, regularly encourages stronger connections between network members as it offers a more friendly environment. Other typical networks include friends, neighbours, poker pals, and book club members. Traditional networking provides strong advantages, and people obtain the best outcomes by complementing one another. In conventional social networks, you are doing your best with the correct proxemics, facial gestures, and body language in the network or community context (Geyer, 2007).

Previous studies (Cisi et al., 2016; Kim & Lee, 2018) have found a significant association between BN and SP. Stakeholders indicate the need for mutual networking and support organizations to share ideas and create a society that promotes their activities, as well as connecting and supporting new entrepreneurs (Ali & Darko, 2015). Networking activities help to gather environmental change information quickly and respond to changes in external resources. Thus, social interactions can influence SP, and BN significantly impacts the SP of SEs (Cho & Kim, 2017).

Abbas et al. (2019) conducted a study to investigate the relationship between entrepreneurial business networking, and the performance of SMEs in Pakistan. The study collected a total of 296

valid responses. The goal of this study is to explore the relationship between entrepreneurial business networking and the performance of small firms using partial least squares structural equation modelling (PLS-SEM) software. The findings and results of this study demonstrate that entrepreneurial business networking, has a positive and significant relationship with small firms' performance. In another study in South Korea, Bae et al. (2018) found that networking has a positive and significant effect on the social performance of SEs.

H2: *BN has a positive and significant influence on the SP of SEs in Pakistan.*

2.4 Access to Finance (AF) and Performance

AF is defined as the ability of individuals, households, entrepreneurs, and companies to access and utilize various financial services if they so choose (Adomako et al., 2016). Financial access promotes SP and BI asymmetry. These studies suggest that access to finance helps provide BI and increases SP in terms of access to financing (Hussain et al., 2018). Similarly, Lee et al. (2017) use a sample of Korean public companies to investigate whether AF affects SP. They observe a positive and significant relationship between SP and AF. In addition, previous studies have found that resources such as BI improve AF, thereby improving SP (Adomako et al., 2016; Hussain et al., 2018).

The findings of the prior studies provide evidence that there is a positive connection between AF and the SP of MSMEs in Pakistan. The findings also support the hypothesis that BN has a positive influence on the relationship between AF and the SP of MSMEs in Pakistan (Hussain et al., 2023). Furthermore, another study described a constructive connection between the SP of SMEs and BN, as well as access to financial resources. The findings also suggest that AF, acting as a mediator in the relationship between BN and SP, partially explains SP (Moog & Soost, 2020).

Drawing from the previously discussed topics, this study formulates the following hypotheses:

H3: *AF has a positive and significant influence on SP of SEs in Pakistan.*

H4: *AF moderates the relationship between BN and SP of SEs in Pakistan.*

H5: *AF moderates the relationship between BI and SP of SEs in Pakistan.*

2.5 Supporting Theories

We developed the proposed research framework based on two supporting theories: the resource-based view (RBV) and signalling theory. In this study, underpinned by the theory of the resource-based view, independent variables are presumed to affect social performance.

The resource-based view (RBV) theory has become an extremely well-known performance theory. Barney (1991) recognizes the resource-based view theory as one of the most influential theories in entrepreneurship. The SEs sector commonly discusses organisational performance from a resource-based perspective. For example, the works of Cheah et al. (2019), and Hussain (2024) are a few empirical studies on SEs that have also implemented the RBV theory.

It is critical to recognise that not all resources have a substantial impact on organisational performance. Some resources used and managed by the organisation, particularly those that are

valuable, rare, inimitable, and non-substitutable (VRIN), have the ability and potential to develop a competitive advantage that improves performance (Barney, 1991).

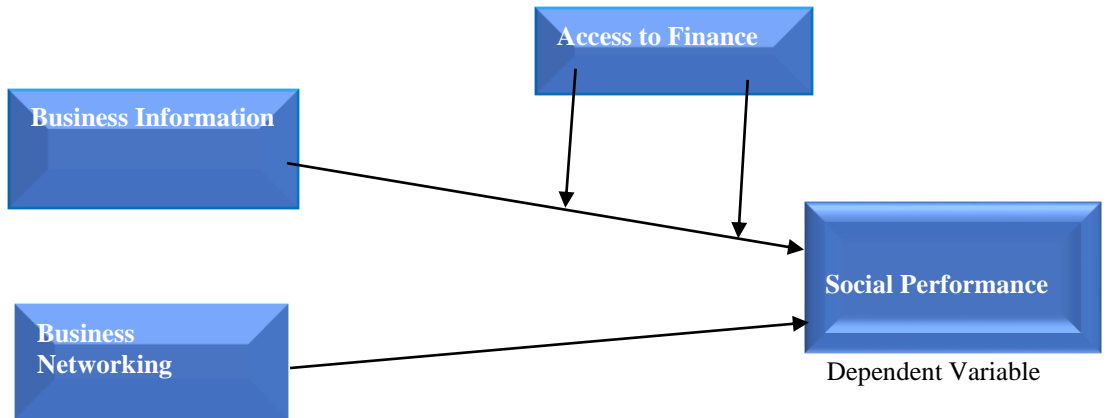
Barney (1991) provides a more comprehensive description of a company's resources, including physical, human, and organizational resources. Human and organizational resources are intangible resources of the company, whereas physical resources are tangible. The majority of RBV research has concentrated on intangible assets such as information and networking (Sampler, 1998). Information is one of the main resources of any organization (Shafiee & Moqadam, 2017). BN consist of intangible resources, and small businesses take advantage of these intangible resources to maximize their performance in highly competitive markets (Pulka et al., 2021). Good and more networking activity in SEs leads to better SP (Squazzoni, 2009). Furthermore, the relationship between BI and SP is often more consistent with signalling theory.

Signalling theory is effective for defining behaviour if two parties (individuals or organisations) receive different information (Certo et al., 2011). Signalling theory states that there is communication, transfer, and interpretation of information in markets and identifies the properties of the information, emphasising the importance of assuming value from the information generated. The signalling theory describes the relationship between signals and their qualities, which explains why some signals are accurate and others are not; in addition, the cost of producing a signal deceptively exceeds the value of falsification (Donath, 2007). Ross (1977) claimed that, based on asymmetric information between management and investors, firm signals are essential for obtaining financial resources. We use signalling theory to strengthen the relationship between BI and SP. Signalling theory is effective for defining behaviour if two parties (individuals or organisations) receive information (Certo et al., 2011). According to Keh et al. (2007), BI has a positive and substantial impact and increases enterprises' SP.

This research considers three components of SEs' SP: awareness, community, society, and environment. This study considers five components of business networking as independent variable: networking with society, networking with suppliers, networking with the customer, networking with the competitor, and networking with complimentary business. This study consists of three components of business information: availability of information, accessibility of information, and quality of information used, and it is used as an independent variable.

The proposed relationship among the variables in this study can be presented in a graphical format, as below (Figure 1).

Figure 1: Research Framework of the study



Independent Variables

3. MATERIALS AND METHODS

This research was conducted using a cross-sectional survey to assemble primary data to fulfil its objectives. The unit of analysis in this study is an organization, particularly registered SEs in Pakistan. The survey was conducted electronically in Pakistan.

The study population of the present research included registered SEs in Pakistan. Most SEs in Pakistan come from the informal sector. Total registered companies are about 3.2 million in Pakistan, and nearly 90 percent of the companies are reported as small businesses (SMEDA, 2018). However, the number of SEs has not been reported in published government records. The number of registered SEs is only found in the report by the British Council (2016) as 448,203 organizations. Based on these data, this study estimates the sample size using the Krejcie and Morgan (1970) table. According to the Krejcie and Morgan table the sample size would be 384. To ensure safety, we decided to use 384 as the sample size.

The list of data was taken from (PPAF, SMEDA, SECP, NRSP, and British Council in Pakistan) and WhatsApp community groups of SE owners/managers. The owners/managers of the SEs in Pakistan were considered as the respondents of this research. A simple random sampling technique was used in this study. To control for non-response errors, the sample size of this study was increased to 700 firms to obtain the maximum response (Salkind, 2012). The current study included three factors, BI, BN and AF to assess the SP of SEs in Pakistan. The variables and their measurements are presented below.

SP was measured using a scale proposed by Cho and Kim (2017). This study applied 7-point Likert-scale type (1 = strongly disagree, to 7 = strongly agree) to measure SP by using awareness (Cho & Kim, 2017), community, and society (Pinheiro et al., 2020; Lee, 2018; Cheah et al., 2019; Cho & Kim, 2017) and environment (Pinheiro et al., 2020; Cheah et al., 2019; Cho & Kim, 2017). Respondents would respond to items on (Awareness) that is, improvement of the community perception of the social enterprise, (Community and Society) that is, increase employment for vulnerable people, investment in public work, solving community issues, increasing services for poor people, and (environment) is, solving community environmental issues as well as ethical management (Cho & Kim, 2017). Higher scores indicate better SP.

BI has the ability to contribute to success, and organizations must have access to adequate information, sources of information, and challenges of information to boost productivity and assist market access. BI was measured using the scale developed by Ojo et al. (2015). This research measures BI using the availability of information (Ojo et al., 2015; Ogunsola & Babalola, 2020), accessibility of information (Ojo et al., 2015; Imran et al., 2019; Ogunsola & Babalola, 2020) and quality of information (Chavez et al., 2015).

The basic objective of BN is to inform others about a company and, ideally, convert them into clients. BN was adapted from Mlotshwa (2019). This research measured BN by networking with suppliers (Mlotshwa, 2019; Abbas et al., 2019), customers (Mlotshwa, 2019; Abbas et al., 2019), competitors (Mlotshwa, 2019; Abbas et al., 2019), society (Cho & Kim, 2017; Bucktower et al., 2015) and complementary businesses, which would contribute to BN.

AF refers to the availability of various forms of financial resources including internal resources, loans, and equity. AF was measured using the scale of Dzomonda (2022). This study used a combination of descriptive and inferential statistics to attain its research goals. Descriptive statistical analysis dealt with the demographic characteristics of the respondents. Inferential statistics explain the direct influence of testing hypotheses on data collected from target SEs.

The first part of the analysis focused on the participants' demographic profiles, such as age, gender, education, managerial position in the firm's hierarchy, and industry type. Descriptive analysis was performed using SPSS version 25. In the second part, the study used the partial least squares structural equation modelling (PLS-SEM) technique, also known as variance-based SEM, by utilizing SmartPLS 3.3.2 software.

4. DATA ANALYSIS AND RESULTS

4.1 Demographic Analysis

This section describes the people who participated in this research, as shown in Table 1. Demographic information included information about the people who responded. Table 1 describes the profiles of the participants in this research. In demographics, the male participants were (64.60%), whereas the female respondents were (35.40%). The age of the respondents, which is shown in Table 1, from of 21 to 29 years were 15.88%, while 41.15% were in between the ages of

30 to 43%, from 40 to 49 years was 29.42%, from 50 to 59 years was 9.38%, and above 60 years was 4.17%; hence, the majority of the respondents consist of from 30 to 39 years which was 41.15%).

Table 1: Demographic Profile of the Respondents

Demographics	Frequency	(%)
Male	254	64.6
Female	130	35.4
From the age group		
21 to 29 years	61	15.88
30 to 39 years	158	41.15
40 to 49 years	113	29.42
50 to 59 years	36	9.38
60 years and above	16	4.17

4.2 Inferential Statistics

PLS-SEM was used to investigate the data. The PLS-SEM study focused on evaluating both the measurement and structural models. PLS-SEM is a sophisticated statistical method for multivariate construct analysis that can simultaneously access measurement models and structural models at the same time.

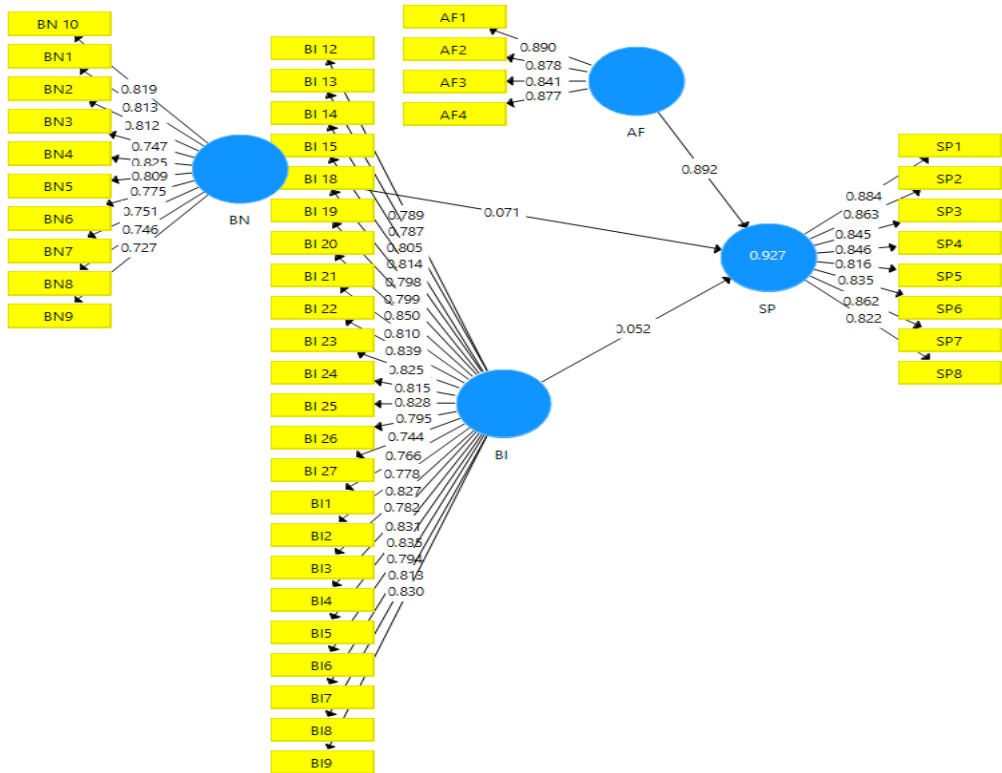
4.2.1 Common method bias (CMB)

There was a possibility of common method bias (CMB) in this study because all the data obtained for the variables were self-reported. To accomplish this goal, Herman's single factor test was employed to conduct an analysis of the maximum variance among all constructs. The results showed that a single factor could only explain a maximum of 37.30% of the variation, which is below the 50% threshold value. Thus, common method bias was not addressed in this study.

4.2.2 Assessment of the Measurement Model

In this study, the researchers examined the validity and reliability of the model used to analyse the outer model, which is also called the measurement model, which was used in the study. The outer factor loadings for the full measurement model used in this study are presented in Figure 2. It is clear that all items had values significantly greater than the minimum threshold of 0.70. The findings reveal that the outer factor loadings are sufficient to allow the model to fit the framework (Figure 2). Therefore, it is possible to apply the model to the next phase of analysis, reliability, and validity tests.

Figure 2: Assessment of the measurement model



4.2.2.1 Internal Consistency Reliability and Convergent Validity

To assess internal consistency reliability, the composite reliability (CR) of the model was analysed. Table 2 shows that all the values were greater than 0.60, which indicates that the criteria were met (Sarstedt et al., 2019). Similarly, convergent validity is described by Hair et al. (2023) as the extent to which a latent construct can define the variance in its indicators. Additionally, Table 2 shows that 50% of the variance is identified by each of the three variables (AVE is > 0.50), which is greater than the threshold value provided by (Hair et al., 2023).

Table 2: Factor Loadings, Internal Consistency Reliability, and Convergent Validity

Construct	Items	Loadings	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)
Business Networking	BN1	0.813	0.93	0.941	0.613
	BN2	0.812			
	BN3	0.747			
	BN4	0.825			
	BN5	0.809			
	BN6	0.775			
	BN7	0.751			
	BN8	0.746			
	BN9	0.727			
	BN10	0.819			
Access to Finance	AF1	0.89	0.895	0.927	0.760
	AF2	0.878			
	AF3	0.841			
	AF4	0.877			
Social Performance	SP1	0.884	0.944	0.953	0.717
	SP2	0.863			
	SP3	0.845			
	SP4	0.846			
	SP5	0.816			
	SP6	0.835			
	SP7	0.862			
	SP8	0.822			
Business Information	BI1	0.766	0.976	0.927	0.76
	BI2	0.778			
	BI3	0.827			
	BI4	0.782			
	BI5	0.831			

BI6	0.835
BI7	0.794
BI8	0.813
BI9	0.83
BI12	0.789
BI13	0.787
BI14	0.805
BI15	0.814
BI18	0.798
BI19	0.799
BI20	0.85
BI21	0.81
BI22	0.839
BI23	0.825
BI24	0.815
BI25	0.828
BI26	0.795
BI27	0.744

4.2.2.2 Discriminate Validity

The square root of the AVE, which was provided by, (Fornell & Larcker, 1981) describes discriminating validity. Furthermore, the AVE square root value must be higher than that of the latent variable, indicating a discriminating value. According to Table 3, the diagonal values are greater than those of the other latent variables. The second requirement is to assess the validity of the construct (Kline, 2023). This indicates that there are no defects in the measurement model used in this study. In other words, the factors considered in this study had discriminant validity.

Likewise, discriminant validity was assessed through the Heterotrait-Monotrait (HTMT) ratio including the two commonly used parameters with the cut-off points HTMT 0.85 and HTMT 0.90 (Henseler et al., 2015), respectively. Voorhees et al. (2016) argued that values less than 0.85 performed well. Table 3 shows that all values are less than 0.85, indicating that the construct achieved discriminant validity.

Table 3: Discriminate validity matrix Using Fornell and Lacker’s Criterion

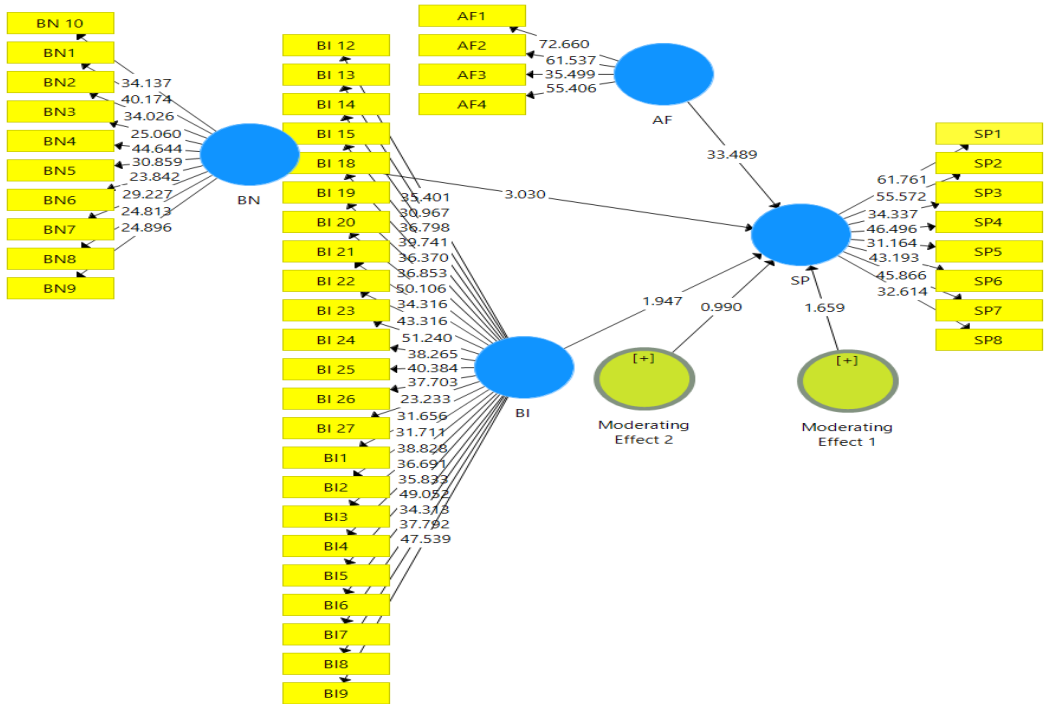
	AF	BI	BN	SP
Access to Finance	0.872			
Business Information	0.576	0.807		
Business Networking	0.510	0.762	0.783	
Social Performance	0.458	0.620	0.566	0.847

Note: The diagonals (bold) represent the square root of the AVE, while the off- diagonals are correlations of the constructs.

4.3 Assessment of the Structural Model

To follow up on the measurement model of this study, a structural model was analysed. As Sarstedt et al. (2019) described, a structural model helps to examine the path coefficients and t-values of the direct and indirect links to see how they work together. Additionally, Henseler et al. (2009) stated that the t-value must be bigger than 1.64 value to determine the significance of the relation and then be applied to make decisions on the hypotheses mentioned above. The structural model of this study is shown in Figure 3. The PLS-SEM algorithm and bootstrapping approach were applied to measure the structural model of this study. The assessment of the structural model involves testing the relationships among the latent constructs. Figure 3 shows the relationships (i.e., paths) between the exogenous and endogenous constructs. In the structural model assessment, all direct relationships (i.e., direct hypotheses) were tested.

Figure 3: Assessment of structure model



5. DISCUSSION

To investigate the direct impacts (i.e., direct hypotheses) among the constructs, the bootstrapping method was used in the Smart PLS 3. Table 4 depicts the hypotheses supported in the current research. Thus, five hypotheses were tested in this study: four hypotheses were supported, and only one hypothesis was not supported. The first hypothesis is accepted, indicating that the relationship between BI and SP is positive and significant ($\beta = 0.059$; $t = 1.947$; $P = 0.026$ and $P < 0.05$). Similarly, the findings demonstrate the second hypothesis that BN has a positive and significant effect on SP (beta = 0.115; $t = 3.03$; $P = 0.001$), which shows that the second hypothesis is also accepted. Likewise, the third hypothesis demonstrates that AF has a positive and significant effect on SP (beta = 0.905; $t = 33.489$; $P = 0.000$ and $P < 0.05$), which shows that the third hypothesis is also accepted. Moreover, the fourth hypothesis indicates the moderating impact of AF between BN and SP (beta value = 0.40; $t = 1.659$; $P = 0.049$ and $P < 0.05$, respectively), which shows that the fourth hypothesis is accepted. On the other hand, the fifth hypothesis indicates that AF has a

moderating effect on the relationship between BI and SP (beta value = 0.019; t = 0.990; P = 0.161 and P > 0.05), which shows that the fifth hypothesis is not accepted.

Table 4: Summary of the results of Hypotheses testing

	Relations hip	Std. Beta	Std. Error	t Value s	p Value s	5.00 %	95.00 %	R Squa re	R²	Decision
H 1	BI→SP	0.059	0.03	1.947	0.026	0.01 5	0.114	SP	0.92 7	Accepted
H 2	BN→SP	0.115	0.038	3.03	0.001	0.06	0.187			Accepted
H 3	AF- SP	0.905	0.027	33.48 9	0.000	0.85 8	0.943			Accepted
H 4	BN-AF- SP	0.400	0.024	1.659	0.049	0.00 5	0.082			Accepted
H 5	BI-AF-SP	0.019	0.020	0.99	0.161	-0.01	0.054			Not Accepted

Note: BN = Business Networking, BI = Business Information, SP = Social Performance, AF = Access to Finance

This research examined how BN is correlated with SP in SEs. This study aims to identify the factors that influence Pakistan's SEs. This study examines the impact of BN, AF, and BI on Pakistan's SEs 'social performance. Two independent variables and one moderator variable were chosen to assess their impacts on the dependent variable. Based on this research goal and the underlying issues, five (05) hypotheses were developed and formulated. Statistical analyses were conducted using SPSS v. 25 and PLS-SEM 3.3.2 to test the constructs. The results of this research revealed that four hypotheses significantly affect SEs in Pakistan, whereas one hypothesis does not significantly impact SEs in Pakistan.

The findings of this research demonstrated that there is a correlation that can be considered statistically significant between BN and SP of SEs. The current research shows that BN in SEs has a positive and significant effect on SP, which supports hypothesis one (H1). According to these findings, an adequate level of BN in SEs may contribute to improvements in the SP of SEs. Previous studies have demonstrated a positive and significant relationship between BN and SP among SEs (Bae et al., 2018). In line with these findings, Cho and Kim (2017) also found that BN has a positive and significant effect on SP.

In addition, the current research also discovered a favourable and statistically significant association between BI and SP in SEs, supporting hypothesis two (H2). Findings show that, from a competitive advantage, there is a great need for information that could be beneficial for your business. Using BI, a social enterprise can expand its reach to the global level by bringing together its internal and external environments. Using BI, a local social enterprise can compete with other SEs around the world. Several studies have found that more accurate information makes firms more competitive and enhances their SP (Ogunsola & Babalola, 2020).

Furthermore, this study demonstrated that AF has a positive impact on SP, which supports hypothesis (H3). The results show that access to financial services increases the SP of SEs, which supports the literature (Cecchetti & Kharroubi, 2015; Lee et al., 2017).

H4 and H5, hypothesized in our study, stated that AF moderates the relationship between BN and the SP of SEs and AF, but does not moderate the relationship between BI and SP. As discussed in previous studies (Hussain et al., 2018; Hussain et al., 2024). A company will have a better chance of succeeding against its rivals in the unstable markets of developing countries if it can obtain fast access to financial resources.

5.1 Moderation Analysis

As in the moderation analysis, the change in R^2 is an essential matter (Ramayah et al., 2018). In the current study, the previous R^2 for SP (before the interaction term) was 0.927, while the value of R^2 for SP (after the interaction term) was 0.930. This change of 0.003 indicates that, with the addition of interaction term, the R^2 had an additional variance of approximately 0.30%. The effect size (f^2) of the moderating relationship was calculated using the effect size (f^2) equation: The result of the effect size ($f^2 = 0.042$) is large, as per the guidelines of Kenny (2018) regarding the effect size (f^2) of moderation analysis (i.e., 0.005, 0.01, 0.025 for small, medium, and large, respectively).

$$\begin{aligned} \text{Effect size (f2)} &= \frac{R2 \text{ (included)} - R2 \text{ (excluded)}}{1 - R2 \text{ (included)}} \\ \text{Effect size (f2)} &= \frac{0.930 - 0.927}{1 - 0.930} \\ \text{Effect size (f2)} &= \frac{0.930 - 0.927}{1 - 0.930} \\ \text{Effect size (f2)} &= 0.042 \end{aligned}$$

From the above discussions, it is hoped that BN, AF, and BI activities will attract the attention of SE authorities to enhance the SP of their institutions. Additionally, researchers can encourage the importance of SEs by conducting broader research that sheds light on SP. Future research should also be conducted to evaluate the convenience of SEs.

6. CONCLUSION

According to the findings of this study, the researcher can answer the following research questions: The results of our study show that BN and BI contribute significantly to the SP of SEs in Pakistan. Moreover, this study also highlights the importance of AF to support the moderating role of BN and BI on the SP of SEs in Pakistan. The objective of the current study is to assess the impact of BN, AF, and BI on the SP of SEs in Pakistan. The conclusions of this study suggest that BN

contributes significantly to the SP of SEs in Pakistan. This study also observed that having a sufficient amount of networking can play an essential role in improving the SP of SEs. Access to financial services plays a vital role in SP of SEs. If SE can receive financial services in a timely manner, its SP can be improved. AF has a positive moderating impact between BN and the SP of SEs in Pakistan, whereas AF plays an insignificant role between BI and the SP of SEs in Pakistan. The results of this study may provide better knowledge and understanding regarding BN and BI, along with the moderating role of AF in SEs, all of which can influence the improvement of SP in Pakistan. These findings expand the application of RBV to SEs and demonstrate how BN and BI may be utilized to increase the scale of social impact.

Findings of this study showed that BN creates interpersonal connections among friends, buyers, suppliers which enable the exchange of resources and the pursuit of positive possibilities. It is necessary for SEs to become involved in their surrounding environment through the use of networks, specifically associations and governmental agencies which increase social performance. Moreover, the availability of BI enables organisations to make logical decisions and facilitates to provide opportunities for the identification and growth. The findings of this study described that BI which is high quality and reliable can provide an opportunity for SEs to sell their products and when more people get access to symmetric information, SP improves, which has a positive impact on the society as a whole. The findings indicate that BN and BI are considered entirely beneficial in enhancing SP in SEs in Pakistan.

6.1 *Theoretical Contribution of the Study*

There is a scarcity about the BI, BN, AF, and their influence on SP of SEs. This study needs to solve this research gap by proposing an integrated model that explains how BN, BI, and AF contribute to the better SP of SEs. This research makes a useful contribution to the current body of knowledge and research by highlighting the significance of these variables in achieving a competitive edge. Furthermore, the implications of BN, BI, and AF in developing economies are poorly understood and assessed. As a result, this research contributes to the creation of body of knowledge by providing empirical support for the use of this framework to enhance the SP of SEs.

6.2 *Practical Implications*

The empirical findings of this study can be helpful for the top management of SEs to make strong decisions and make goods and services to provide superior support for their stakeholders. Finally, the findings of this study may be useful to policymakers, government regulators, and other relevant parties in the design and implementation of more effective policies and regulations for increased BN and BI to confirm the long-term improvement of Pakistani SEs. The most crucial area in which they can be most helpful is in assisting social entrepreneurs in improving their relationships with various stakeholders and mobilizing their resources, and sharing information and increasing network activities and thus improving the SP of SEs.

6.3 *Limitations and Future Study Recommendations*

The present paper draws its research on the SP of SEs in Pakistan, but they should broaden their analysis to encompass financial performance. This research should only be used by SEs doing business in less developed countries. The SEs from low-income countries around the world must have conducted current study in order to broaden its coverage.

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