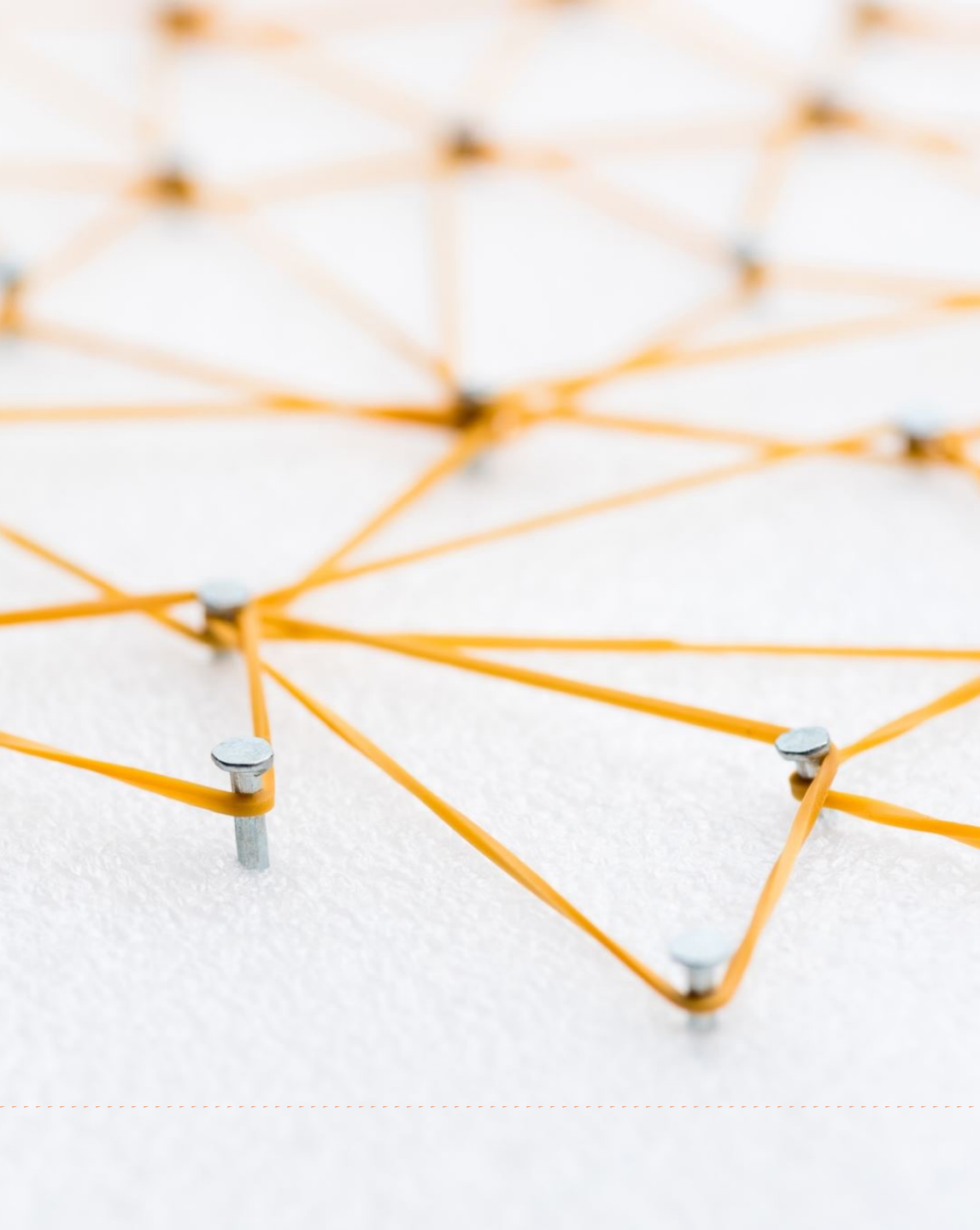


Student name:	Ooi Nicholas Tyan Chyi	Student ID number:	2031098
Programme:	DBA		
Module:	Approaches to Research and Academic Communication		
Module code:	HKBM7000	Contribution to Overall Module Assessment (%):	40%
Lecturer:	Dr. Luk Chung Leung	Internal Verifier:	
Assignment Title:	In-class Presentation	Time Allowed:	25 minutes



HKBM7000

Approaches to Research and Academic Communication

Research Proposal Presentation

Nicholas Ooi

SID: 2031098

Title

The Internal and External Factors that affect the survival of Social Enterprises during the COVID-19 Pandemic in Hong Kong

Research Problems and Objectives

SOCIAL ENTERPRISES IN HONG KONG



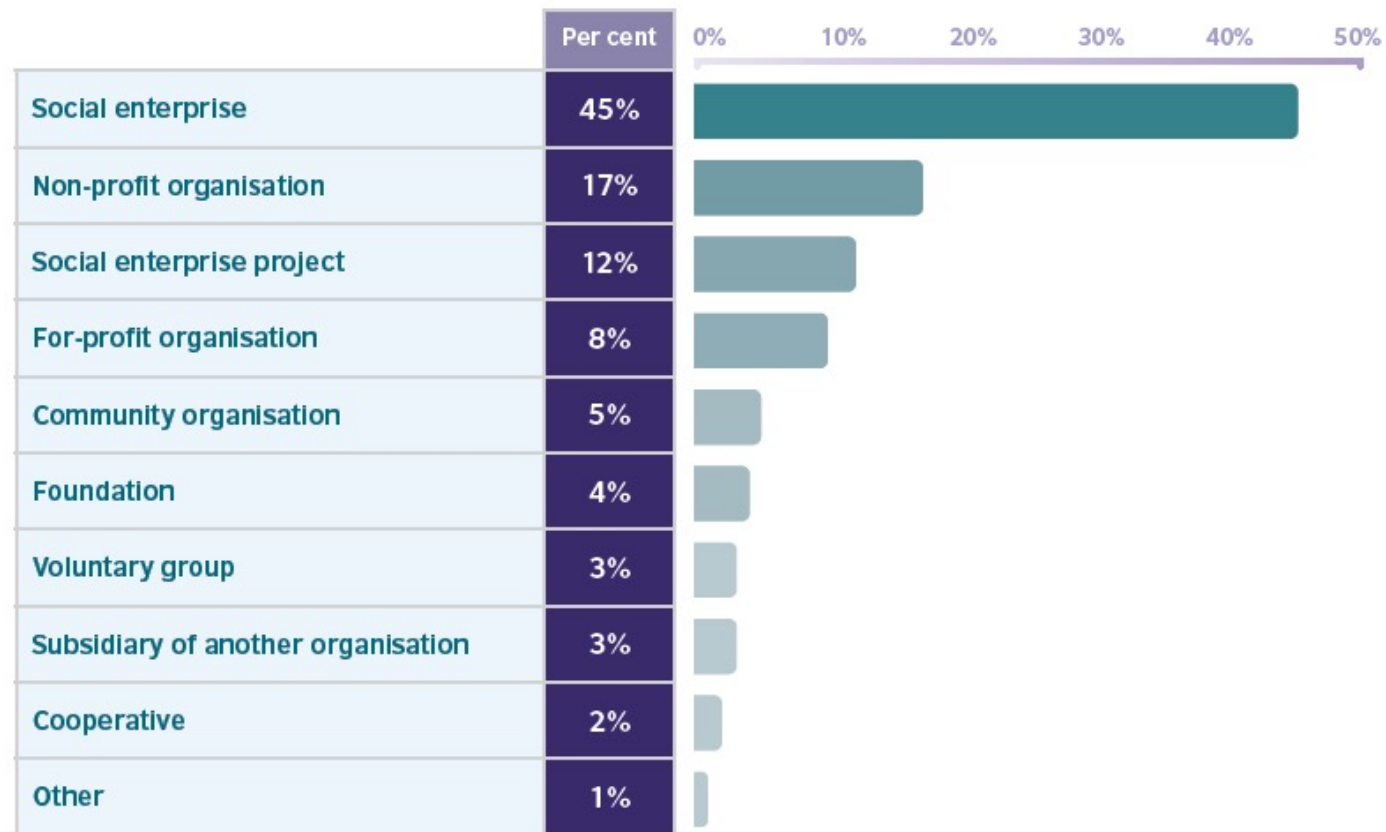
Social Enterprise

- ♦ There is **no universal definition** of social enterprise.
- ♦ According to the Government, a social enterprise is a **business** to achieve specific **social objectives** such as providing the services (e.g. support service for the elderly) or products needed by the community, creating employment and training opportunities **for the socially disadvantaged, protecting the environment, or funding its other social services** through the **profits earned**. Its profits will be principally **reinvested in the business for the social objectives** that it pursues.

Reference:

Legislative Council. 2017. "Social Enterprises in Hong Kong and the United Kingdom" ISE05/16-17.

Retrieve: <https://www.legco.gov.hk/research-publications/english/essentials-1617ise05-social-enterprises-in-hong-kong-and-the-united-kingdom.htm#endnote1>



Self-identification is an important point for social entrepreneurs in Hong Kong. The problem of legal form and registration, and sentiment concerning this distinction becomes more apparent when it comes to how these organisations with a social or environmental purpose self-identify.

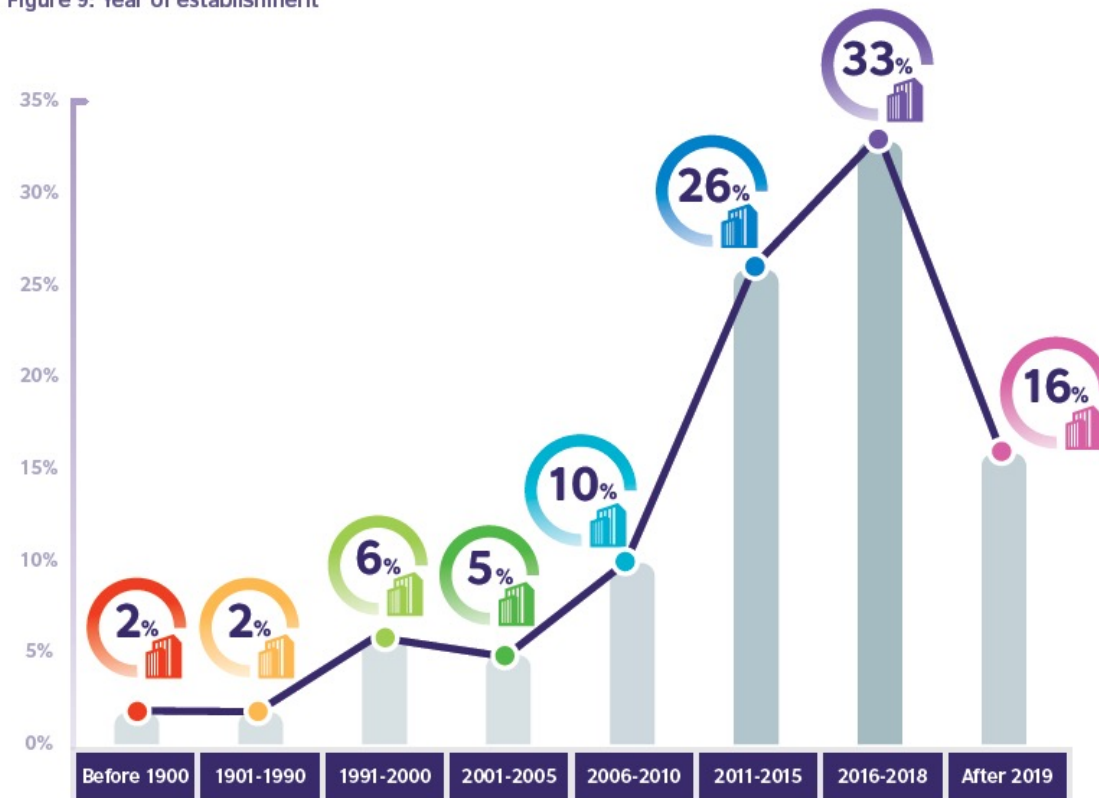
Reference:

British Council. 2020. "The State of Social Enterprise in Hong Kong." Executive Summary, P10-13.

Background

Years of operation/age of entity

Figure 9: Year of establishment

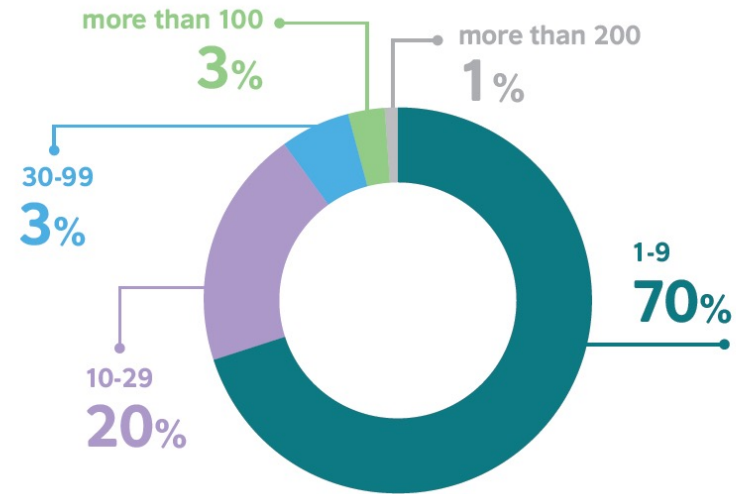


Reference:

British Council. 2020. "The State of Social Enterprise in Hong Kong." Executive Summary, P10-13.

- They are relatively small, with fewer than 10 employees

Full-time employees of social enterprises



- Their main sectors of focus include:

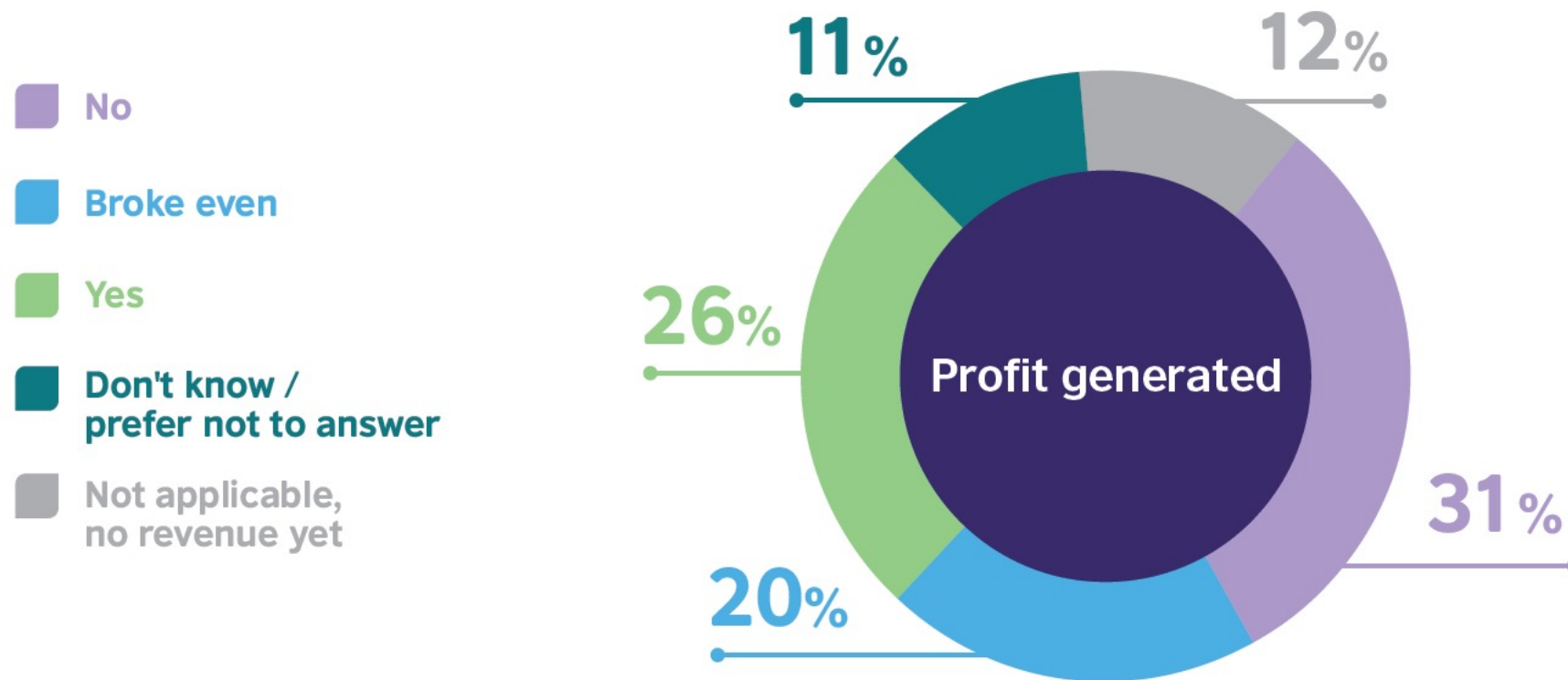
Social enterprise sectors of operation



Reference:

British Council. 2020. "The State of Social Enterprise in Hong Kong." Executive Summary, P10-13.

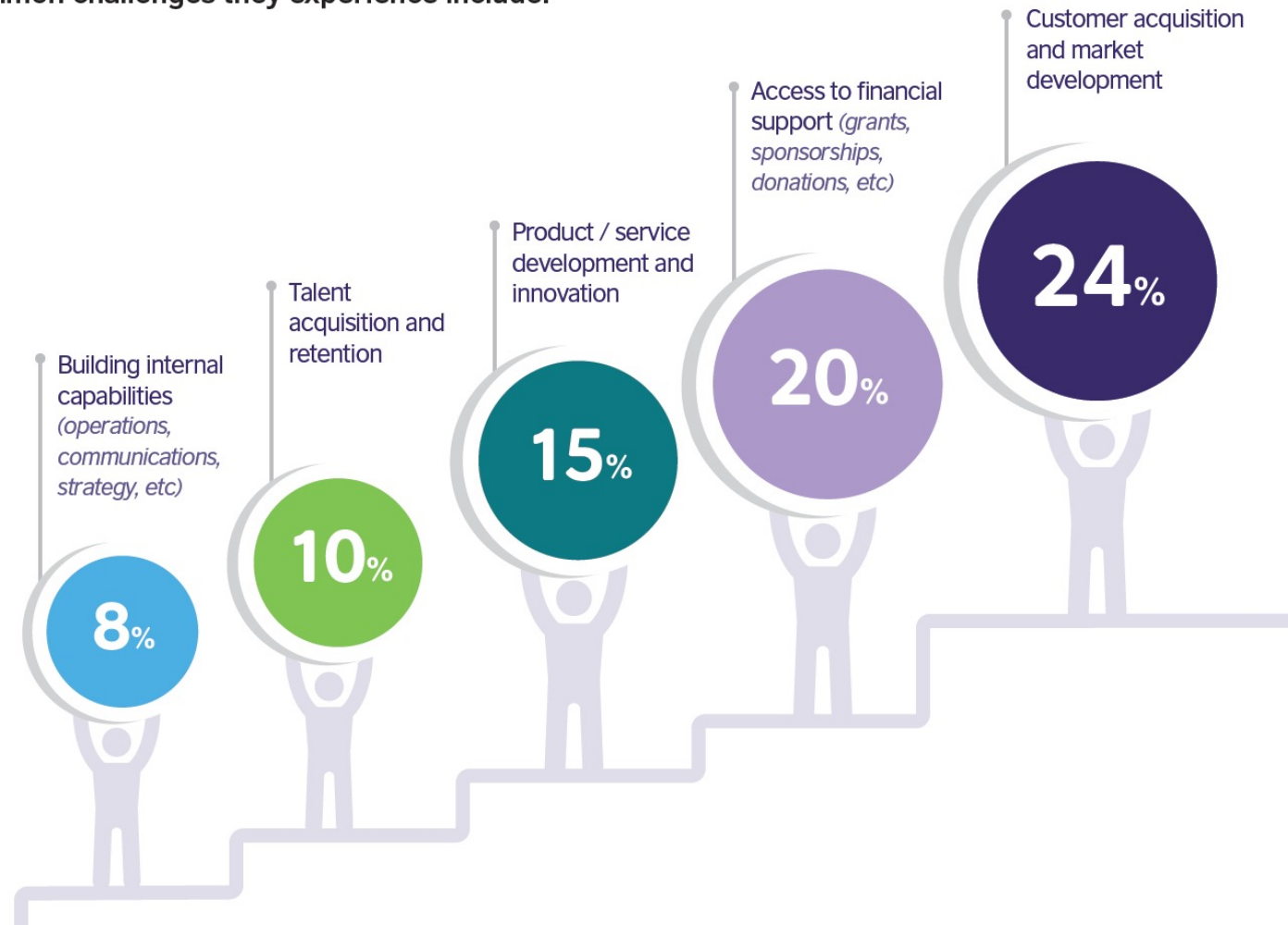
- They are breaking even or making a profit, but many continue to rely on other forms of capital for financing



Reference:

British Council. 2020. "The State of Social Enterprise in Hong Kong." Executive Summary, P10-13.

- Common challenges they experience include:

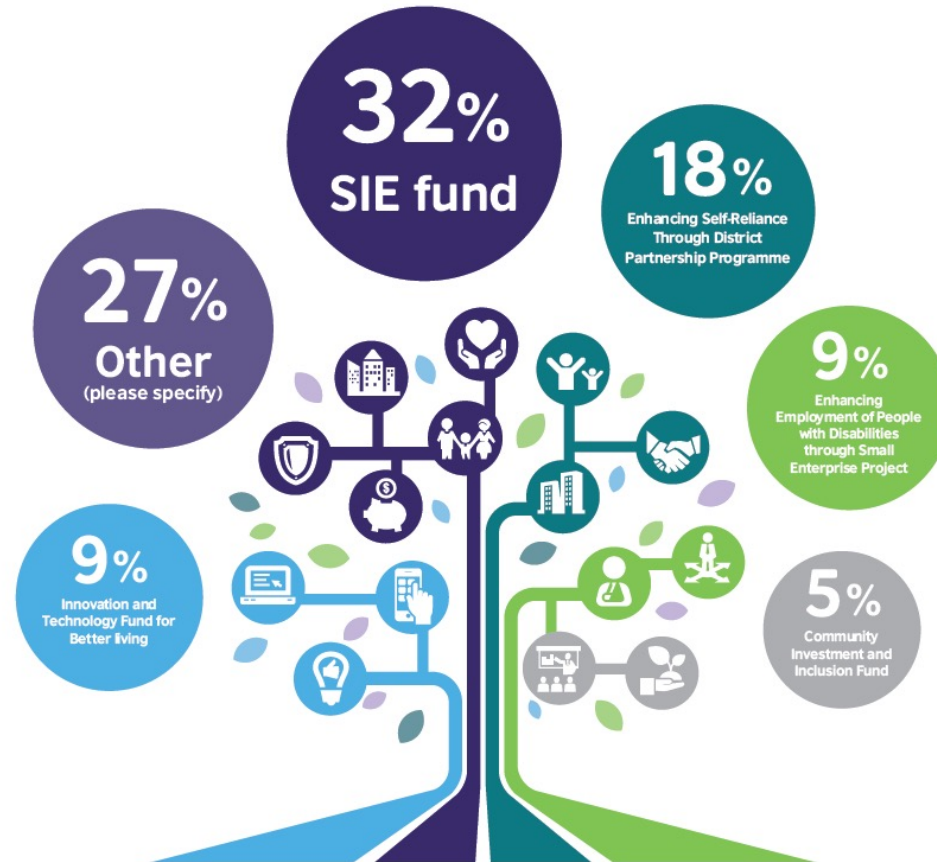


Reference:

British Council. 2020. "The State of Social Enterprise in Hong Kong." Executive Summary, P10-13.

Common funding sources

Figure 25: Common sources of funding for social enterprises



The Hong Kong landscape is characterised by a significant number of seed funding sources for social enterprises, both from government agencies and funds, along with funders such as the Hong Kong Jockey Club. These seed funding sources are important sources of finance for early-stage social enterprises.

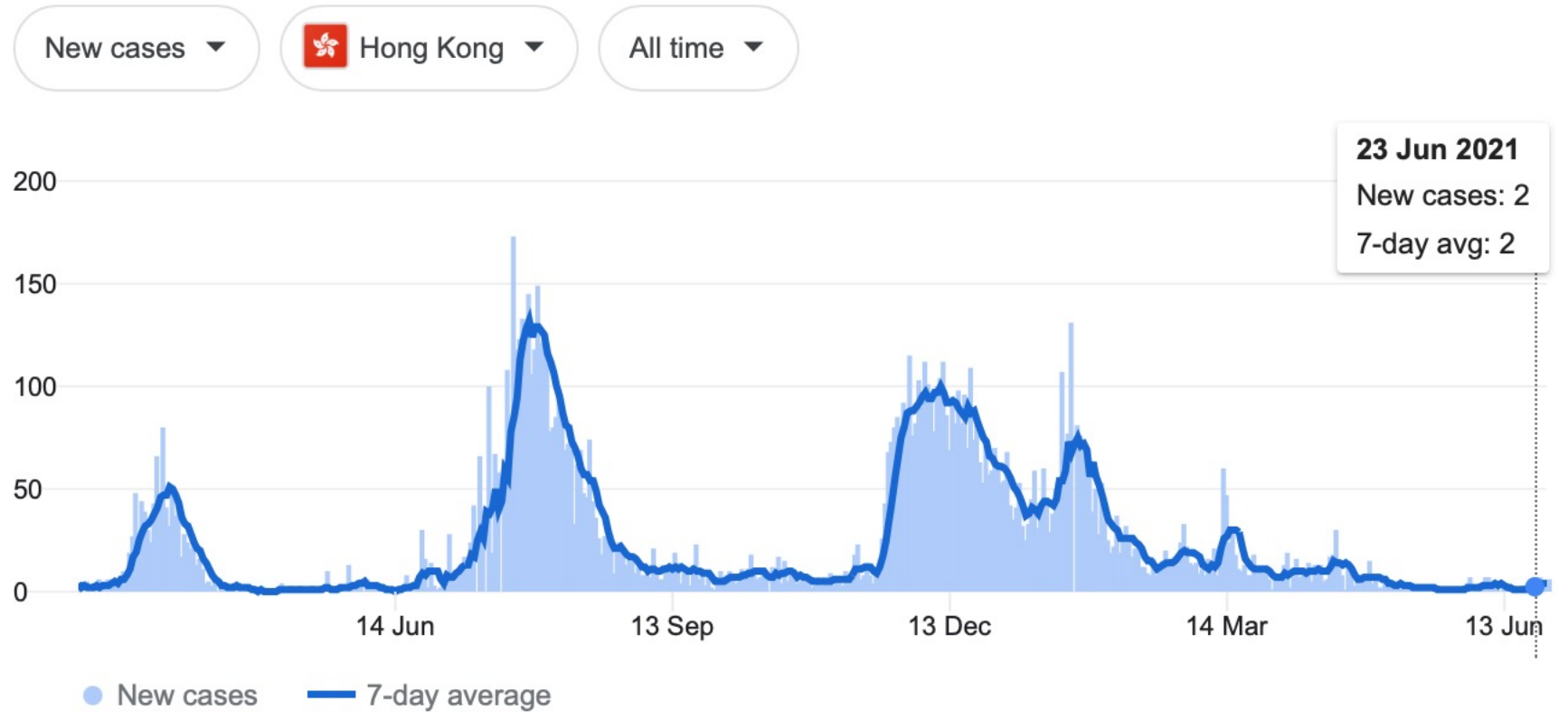
Reference:

British Council. 2020. "The State of Social Enterprise in Hong Kong." Executive Summary, P10-13.

A busy street scene in Hong Kong, likely in the Mid-Levels area, showing a large crowd of people walking across a crosswalk. Many individuals are wearing face masks, indicating the COVID-19 pandemic. In the background, there are several double-decker buses, including a red one with '周大福' (Zhou Da Fu) and a black one with '168' and 'Mastercard' branding. The street is lined with tall buildings and numerous commercial signs, including 'LUSH' and 'McDonald's'. The overall atmosphere is one of a densely populated urban environment during a global health crisis.

The COVID-19 PANDEMIC

From [JHU CSSE COVID-19 Data](#) · Last updated: 1 day ago



Each day shows new cases reported since the previous day · [About this data](#)

Reference:

Johns Hopkins University, 2021. "COVID-19 Data Repository by the Center for Systems Science and Engineering (CSSE) at." New Cases and Deaths

Retrieve: <https://gisanddata.maps.arcgis.com/apps/dashboards/bda7594740fd40299423467b48e9ecf6>

COVID-19 Hong Kong

Beginning of March 2020, World Health Organization (2020) declared a global pandemic for the COVID-19 Coronavirus outbreak.

On the 28 Jan 2021, SCMP (2020) reported that the Hong Kong government announced the first work-from-home implementation and applied border control and reducing traffic from Mainland of China.

Reference:

World Health Organisation (2020). WHO, Coronavirus Disease (COVID-19) outbreak.

Retrieve: <https://www.who.int/emergencies/diseases/novel-coronavirus-2019>

South China Morning Post, SCMP (2020). China coronavirus: Hong Kong scrambles to roll out containment plan stopping short of total closure, with cuts on cross-border travel and reduced transport services with mainland

Retrieved: <https://www.scmp.com/news/hong-kong/health-environment/article/3047907/china-coronavirus-hong-kong-government-deny-entry>

COVID-19 Pandemic and Global Economy

- Andreas Kuckertz and his team (2020) also mentioned in one of the recent studies that during the initial phase of the pandemic in the United States, many businesses and communities have been affected because it was a standstill for the economy.
- It is more complicated in countries or cities with emerging economies; Since the pandemic is “dramatically worsening the economic outlook for emerging economies” (Herrero, 2020) like Singapore, Brazil, Turkey, and Mexico experienced few waves of the pandemic (Kawamorita et. al., 2020)

Reference:

Herrero, A. G. 2020. “El Covid-19 en Las Economías Emergentes.” *Política Exterior* 34 (195): 116–125.

Kuckertz, A., L. Br€andle, A. Gaudig, S. Hinderer, C. A. Morales Reyes, A. Prochotta, K. M. Steinbrink, and E. S. C. Berger (2020). “Startups in Times of Crisis – A Rapid Response to the COVID-19 Pandemic.” *Journal of Business Venturing Insights* 13: e00169.

Kawamorita, H., A. Salamzadeh, K. Demiryurek, and M. Ghajarzadeh. 2020. “Entrepreneurial Universities in Times of Crisis: Case of Covid-19 Pandemic.” *Journal of Entrepreneurship, Business and Economics* 8 (1): 77–88.

Impact of COVID-19 of SE in HK

Some venture capital fund and fundraising organizations also suggested that the enterprises get ready to cut costs or downsize the company (TechCrunch, 2020).

According to a survey by Peking University about SMEs in Feb 2020, about 20% of the founders and co-founders said that they could not last for a month on a cash flow basis, while 60% of them could not survive beyond a quarter (Rouchen et. al., 2020).

Reference:

Rouchen Dai , Junpeng Hu and Xiaobo Zhang. (2020) "The Impact of Coronavirus on China's SMEs: Findings from the Enterprise Survey for Innovation and Entrepreneurship in China", Center for Global Development, February 28, 2020

TechCrunch. (2020). "Investors Tell Indian Startups to 'Prepare for the Worst' as COVID-19 Uncertainty Continues." Last accessed 2 April 2020.

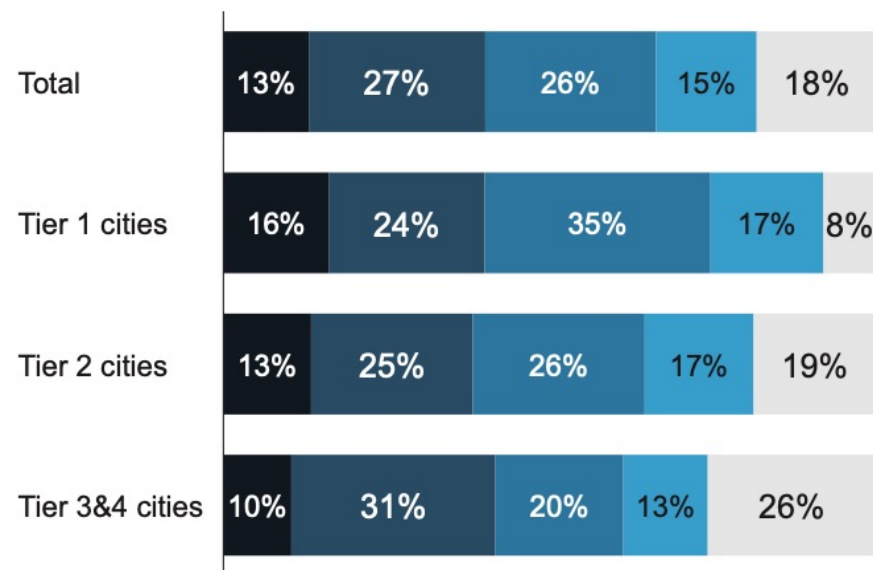
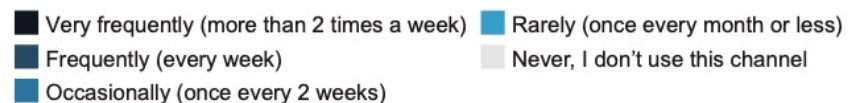
Recovery

Reference:

Julien Boudet, Jonathan Gordon, Brian Gregg, Jesko Perrey, and Kelsey Robinson. (2020) "How marketing leaders can both manage the coronavirus crisis and plan for the future", McKinsey, April 2020.

Online grocery purchase frequency has increased rapidly due to COVID-19

Online grocery purchase frequency before COVID-19, % of respondents



Change in online grocery purchase frequency, % of respondents

During vs. prior

+71%

+60%

+72%

+79%

Recovery

Reference:

McKinsey & Company. (2021). "China Consumer Report 2021 - Understanding Chinese Consumers: Growth Engine of the World Special edition": 16-33

- And, according to the COVID-19 pandemic Mobile Survey, they found out that 74% of the Chinese consumer increase their online grocery visit frequency during the pandemic.
- Recently, online grocery retail in China has been growing almost 30% annually. More than 50% of Chinese consumers already buy packaged food virtually, which led to the rapid growth of the "stay-at-home economy" (McKinsey, 2021).

Research questions

- What are the internal factors that affect the survival of the social enterprises in Hong Kong?
- What are the external factors that affect the survival of the social enterprises in Hong Kong?
- Are the internal factors matter or the external factors matter the most, or both?
- Which field of the social enterprises affect the most?

Research Objectives

- ♦ To explore which internal factors and external factors that affect the social enterprises the most during the pandemic
- ♦ To discover whether the pandemic is the largest caused of business failure
- ♦ To propose innovative ways for social enterprise to improve their survival if situation like this occurs in future

Relevant Theories

- ♦ External Factors
 - ♦ Macro Environmental Forces – Six Factors (PESTLE)
- ♦ Internal Factors
 - ♦ SWOT Analysis

Literature

Ahani, A., and M. Nilashi. (2020). "Coronavirus Outbreak and Its Impacts on Global Economy: The Role of Social Network Sites." *Journal of Soft Computing and Decision Support Systems* 7 (2): 19–22.

Brisith Council. (2020). "The state of social enterprise in Hong Kong" Retrieved: https://www.britishcouncil.org/sites/default/files/british_council_hong_kong_social_enterprise_web_final.pdf

Chamber of Social Enterprises Hong Kong (2021) "Survey on the Operating Conditions of the Social Enterprise under the Pandemic (Third Quarter)", P1-3Retrieve: https://sechamber.hk/wp-content/uploads/2021/01/新冠疫情下社企業界營運狀況調查-新聞稿_20210128.pdf

Kuckertz, A., L. Br€andle, A. Gaudig, S. Hinderer, C. A. Morales Reyes, A. Prochotta, K. M. Steinbrink, and E. S. C. Berger (2020). "Startups in Times of Crisis – A Rapid Response to the COVID-19 Pandemic." *Journal of Business Venturing Insights* 13: e00169.

Kawamorita, H., A. Salamzadeh, K. Demiryurek, and M. Ghajarzadeh. 2020. "Entrepreneurial Universities in Times of Crisis: Case of Covid-19 Pandemic." *Journal of Entrepreneurship, Business and Economics* 8 (1): 77–88.

Literature

- Julia Koch, Britta Frommeyer and Gerhard Schewe. (2020) "Online Shopping Motives during the COVID-19 Pandemic—Lessons from the Crisis" *Sustainability* 2020, 12, 10247; doi:10.3390/su122410247
- Kawamorita, H., A. Salamzadeh, K. Demiryurek, and M. Ghajarzadeh. (2020). "Entrepreneurial Universities in Times of Crisis: Case of Covid-19 Pandemic." *Journal of Entrepreneurship, Business and Economics* 8 (1): 77–88.
- Oxford College. (2016). "What is PESTEL analysis?" Retrieve: <https://blog.oxfordcollegeofmarketing.com/2016/06/30/pestel-analysis/>
- Sidney Leung, Phyllis Mo, Howard Ling, Yanto Chandra, So Sum Ho. (2019). "Enhancing the competitiveness and sustainability of social enterprises in Hong Kong: A three-dimensional analysis". *China Journal of Accounting Research* 12 (2019) 157–176

Hypothesis

- ♦ COVID-19 pandemic could be the largest caused of business failure
- ♦ Social enterprises and their innovative ways to strive for business survival
- ♦ Good business management and business planning is important for business survival
- ♦ External factors caused by the pandemic could caused business failure more than internal factors

Research Design

Operational Measurement of the Variables

IV: Whether internal factors could affect the SE survival?

DV: Strength, weaknesses, threats, opportunities, leadership and innovative mindset

IV: Whether external factors could affect the SE survival?

DV: Politics, Economy, Social, Technological, Legal, Environmental

IV: Whether the internal factors or external factors affect the SE survival the most?

DV: Profit or loss, operation of <3 months, operation <6 months, operation of <12 months.

IV: Which field of SE affected the most?

DV: Retail, food, education, elderly, arts, culture, and more

Measurement, Instrumental and Research Method – Part A

IV: Whether internal factors could affect the SE survival?

DV: Strength, weaknesses, threats, opportunities, leadership and innovative mindset

IV: Whether external factors could affect the SE survival?

DV: Politics, Economy, Social, Technological, Legal, Environmental

- ♦ Quantitative – Correlation Methods (Survey Method)
- ♦ Primary Scales of Measurement – Interval to understand the performance rating on a 0 – 10 scale
 - ♦ It permits comparison of the differences between objects
 - ♦ It is commonly used in marketing research

Measurement, Instrumental and Research Method – Part B

IV: Whether the internal factors or external factors affect the SE survival the most?

DV: Profit or loss, operation of <3 months, operation <6 months, operation of <12 months.

- ♦ Qualitative – Major Data Collection Methods
- ♦ Semi-structured interviewing
 - ♦ As Case Studies
 - ♦ Include recording and transcription of the interview
- ♦ Then, content analysis

Measurement, Instrumental and Research Method – Part C

IV: Which field of SE affected the most?

DV: Retail, food, education, elderly, arts and culture, and more

- ♦ Quantitative – Correlation Methods
- ♦ A comparative evaluation of survey result will be performed

Sampling Method

- ♦ Simple Random Sampling
 - ♦ To select the social enterprises
- ♦ Cluster Sampling
 - ♦ To select the social enterprises from different field

Data Collection

Expected Finding

- ♦ The COVID-19 pandemic could affect the social enterprises survival internally and externally.
- ♦ The innovative approach and conflict management of the social enterprise could be the key survival.

Limitation and Future Research

- The number of the units of analysis in might not be sufficient and it could only imply to small amount of social enterprises in Hong Kong, and it could not reflect the global situation.
- For qualitative data, there would be interpreter bias
- Since the pandemic is quite recent, there might be limited literature review that could set a good foundation to understand the problem
- Lack of available data from the recent pandemic affects to social enterprises in Hong Kong
- The continuous and unknown end date for the pandemic could make it hard for the analysis

Conclusion and Recommendation

- The literature helps the readers to understand meaning of social entrepreneurship, and ways of social enterprises cope with the COVID-19 pandemic
- The examples also show that the challenges of each social enterprises faced internally and externally, either internal business operation or macro environmental factors.

Appendix

- 1. RESEARCH PROBLEMS AND OBJECTIVES:
 - Company/Industry Background
 - Definition of Problems
 - Research Questions
 - Research Objectives
 - Review of the Relevant Theories and Literature
 - Hypotheses
- 2. RESEARCH DESIGN:
 - Operational Definition of Variables
 - Measures/Instruments
 - Research Method
 - Sample and Sampling Method
- 3. DATA COLLECTION AND ANALYSES AND REPORT
 - Data Analyses
 - Expected Findings
 - Managerial/Practical Implications
 - Limitations