

# Institutional Environments and Social Entrepreneurial Intentions: A Case of Thailand

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— *Review of* —  
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## ABSTRACT

This paper provides an empirically tested model that clarifies the relationships of institutional environment dimensions. This model also reveals the mediating role of perceived desirability and feasibility toward social entrepreneurial intentions. This paper is the first attempt to apply institutional environments into social entrepreneurial intentions in Thailand. A total of 530 undergraduate students from four universities in Thailand were analyzed. All hypotheses were tested using structural equation modeling. The results indicated that two institutional environments dimensions, which are regulatory and cognitive, have a positive, significant, and direct effect on social entrepreneurial intentions, but normative dimension has an insignificant direct effect on social entrepreneurial intentions. Perceived feasibility mediated all institutional environment dimensions, whereas perceived desirability insignificantly mediated all institutional environment dimensions. Therefore, this research presents a new understanding of the effects of institutional environments on social entrepreneurial intentions. It may also promote emerging and important global activities.

**Keywords:** social entrepreneurship, institutional environments, social entrepreneurial intentions, Thailand

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## 1. INTRODUCTION

Entrepreneurship is one of the key drivers of economic development and innovation (Busenitz, 2000; Spencer et al, 2004; Urban and Kujinga, 2017; Manolova et al.; 2008). It is defined as the activities involved in maintaining and managing a business (Beaugrand, 2004). According to Bruton et al., (2008), numerous entrepreneurship studies have emerged in the past few decades, but those works focus primarily on entrepreneurship in developed countries. Recently, theoretical and social relevance has also become important for entrepreneurship research (Urban, 2015). As such, social entrepreneurship has become more interesting for researchers. Scholars have begun developing conceptual models by integrating the antecedents of social entrepreneurship and adopting a behavioral approach when analyzing social entrepreneurship by focusing on individual founders (Urban, 2008). Lately, entrepreneurship researchers have gradually shifted their focus to emerging economies (Yamakawa et al., 2010). According

to IMF data in 2017, Thailand, which is an emerging market and considered as low-income country with US\$ 6,336.34 per capita, has a population of 69.09 million. Moreover, the Global Entrepreneurship Index 2017 shows that Thailand is ranked 65th globally in terms of entrepreneurial activity and ecosystems. Thus, entrepreneurs exist in this particular geography. The rising interest in entrepreneurship in emerging economies is due to three main reasons. First, according to Bosma et al., (2007), this rising interest is a result of the rapid growth in entrepreneurial activity in emerging economies. Second, emerging economies have contributed increasingly to the growth of global economic development (Thoumrunroje, 2010). Third, according to Busenitz et al., (2000), entrepreneurial activities are shaped mainly by their institutional environments. Institutional environments have three major types: regulatory, which includes existing rules and laws; cognitive, which refers to knowledge and skills; and normative, which consists of values, norms, and beliefs (Scott, 1995; Busenitz et al., 2000; Urban and Kujinga, 2017; Monolova et al., 2008).

Shapero and Sokol (1982) show that based on the theory of planned behavior (TPB) of Ajzen (1991), the elements of perceived desirability can inspire the likelihood of entrepreneurial activities. By contrast, people with perceived ability to run new ventures can be affected by perceived feasibility. In this sense, the TBP model of Ajzen (1991) is a well-known theory. This model suggests that people have a propensity to act when they perceive positive and available opportunities (Ajzen, 1991). Correspondingly, in the social entrepreneurship context, the intention to pursue or launch a social business can be built through the perceived desirability and feasibility of entrepreneurial actions (Mair and Noboa, 2003).

To exploit opportunities and leverage the threats in each country, entrepreneurial practices are considered as an important driver for economic growth. Therefore, the current research will focus on social entrepreneurship in an emerging economy context, such as Thailand, to provide a better foundation for theoretical development in comparison with previous works. It could generate a new understanding of institutional environment dimensions toward social entrepreneurial intention. Additionally, this study can provide empirical validation of the scale of Busenitz et al. (2000) for measuring institutional profiles for social entrepreneurship and its applicability in an emerging country in Asia, such as Thailand, which is culturally and economically different from developed Western economies.

## **2. LITERATURE REVIEW**

### **2.1 Social Entrepreneurial Intentions**

The concept of entrepreneurship was first defined over 250 years ago. Different useful approaches have been applied to describe and examine entrepreneurship (Austin et al, 2006). Kania et al. (2017) also provide evidence of social business on entrepreneurial competencies and business performance implication model, which has theoretical and managerial implications on the field.

Social entrepreneurship has become the focus of research since the recent global recession crisis. Many social questions on the heart of the economy have emerged. Entrepreneurship is an effective tool for economic and social value creations concerning social issues. This nature concept is popular in terms of theory and practice, with the new

horizon in research in social entrepreneurship (Nicholls, 2010). The concept of social entrepreneurship has been introduced rapidly in all business sectors over the past few years (Anderson et al. 2006).

Intentions to act are believed to be the key to understanding and perceiving the behaviors that people engage in (Norris, 2000). Individual entrepreneurial intention may be defined most appropriately and practically as a person's self-acknowledged influence in which he or she intends to start a new business venture in the future. However, the degree and intensity of such intention might rationally be expected to vary from one person to another (Thompson, 2009). Social entrepreneurial intentions can be described as a person's intention to launch a social enterprise or venture to promote social change through innovation. However, few studies have been performed on the intentions to create a social venture (Tran et al., 2016). The entrepreneurial intentions of students have been the main topic of scholars' research because social awareness among the youth has increased dramatically to overcome economic recession (Tran et al., 2016). It is also a social movement that can be reflected in issues, such as property prices and the income gap between the rich and poor. As a result, the future of the youth can be hopeless and their career prospects can diminish (Tran et al., 2016). Therefore, social awareness can be embedded into youths' interests to improve their society; the time has come to explore how the youth could engage passionately in social entrepreneurship (Chan et al., 2011). Many researchers have investigated social entrepreneurial intention using data collected from students' perspectives (Entrialgo & Iglesias, 2016; Tiwari et al., 2017; Tran et al., 2016). Thus, the current research can inspire the young generation's intention toward social entrepreneurship by exploring institutional environment profiles and intention formation process.

## **2.2 Institutional environment and emerging markets**

The work of Busenitz et al. (2000) is the first study on the national institutional profiles for entrepreneurship. The study validates empirically the measure and data from developed countries. Busenitz et al. (2000) found that three institutional dimensions have a significant effect on entrepreneurship. In addition, the result is inconsistent because of geographic and economic differences (Busenitz et al., 2000). Some studies have validated the instrument further by collecting and analyzing data from emerging countries. Manolova et al. (2008) explored emerging countries in Europe. They found differences in the three institutional dimensions among emerging countries in that region. Although these studies presented the reliability and construct validity of the instrument in developed and emerging countries, they only focused on Western economies. Moreover, Urban (2013) adopted an institutional environment into social entrepreneurial intentions in the African context and found that the involvement of African institutions is significant to social entrepreneurial intentions. Thoumrungrroje (2010) suggested that some studies have yet to examine or validate the instrument on the institutional profile impact in emerging economies, such as those in Asia, in the context of social entrepreneurship.

## **2.3 Regulatory institutional environment (R)**

Many entrepreneurs in emerging markets, especially in Thailand, are encountering rapid institutional changes. According to Peng et al. (2009), the rapidly changing economy and government can have a negative impact on entrepreneurs'

performance. The Thai government is trying to implement numerous policies through different agencies and public organizations, such as National Innovation Agency (NIA), Office of Small and Medium Enterprises Promotion (OSMEP), and Department of Industrial Promotion (DIP), to support new venture creation in the country (Thoumrungrroje, 2010). The government has also launched the Thai Social Enterprise Office (TSEO) to facilitate social entrepreneurial activities in the country. Since then, a Social Enterprise Promotion Act, which offers tax relief for corporations setting-up social enterprises like tax incentives for social investment, has also been promulgated. Seelos et al. (2011) also confirmed that social entrepreneurial processes and outcomes are influenced by regulatory factors. Similarly, Estrin et al. (2013) found that social entrepreneurial ventures are successful in institutional contexts. Several researchers have also suggested that the regulatory environment can be extended with a broad framework for social entrepreneurship (Spencer et al., 2004; Bernardino et al., 2015). Urban (2013) also confirms this idea and reports favorable perceptions of the regulatory institutional environment in the South African context. Thus, based on these findings, the first hypothesis can be formulated as follows:

**Hypothesis 1:** The regulatory institutional has a positive influence on social entrepreneurial intentions.

#### 2.4 Cognitive institutional environment (C)

This section adapted the idea of entrepreneurial cognition from Baron (2008) and Krueger et al. (2000), who have associated entrepreneurial cognition with entrepreneurial decision-making. Scott (2007) also added that in terms of the cognitive institutional dimension, cognitive dimension denotes an individual's beliefs, knowledge, and skills, which are necessary for creating new business initiatives in the country. In terms of entrepreneurial events, whenever entrepreneurial models include a cognitive factor, it can explain a growing number of entrepreneurship activity phenomena (Shapero and Sokol, 1982). In terms of TBP (Ajzen, 1991), the cognitive dimension is also considered a key driver, which can nurture entrepreneurial intention fruitfully. Urban (2008) also explained that accepting social criticism on creativity, innovation, trustworthiness, and the ability to satisfy customers' needs are considered as cognitive and behavioral attributes linked with social entrepreneurial intentions. By contrast, Schultz (1959), who proved that human capital theory is also consistent with the institutional dimension, obtained cognitive perspectives. Therefore, to foster the propensity of nascent entrepreneurship, the cognitive institutional dimension is considered an important measurement tool and also has a positive influence toward the creation of new venture (Urban and Kujinga, 2017; Thoumrungrroje, 2010; Manolova, 2008; Spencer et al, 2004). Based on the above studies, the second hypothesis of this study can be stated as follows:

**Hypothesis 2:** Cognitive institutional has a positive influence on social entrepreneurial intentions.

#### 2.5 Normative institutional environment (N)

According to Seelos et al. (2011), a normative environment arises from the social structures important for shaping entrepreneurial behaviors in the country. Busenitz et al. (2000) supported this idea by explaining that a normative environment is actually the

levels to which country's residents admire entrepreneurial activity, creativity, and innovation. Thus, a normative environment can also be referred to as the cultural values or cultural characteristics with entrepreneurial activity in the country (Thoumrungrroje, 2010; Tatiana, 2008; Spencer et al., 2004). Similarly, many studies have found that normative institutional environment suggests that an improvement of the future narrative of social entrepreneurship is only possible if a normative change is reproduced in people's minds (Thoumrungrroje, 2010; Manolova, 2008; Karanda and Toledano, 2012). Therefore, following this line of reasoning, the following hypothesis is proposed:

**Hypothesis 3:** The normative institutional of the country has a positive influence on social entrepreneurial intentions.

### **2.6 The mediating role of perceived desirability and perceived feasibility**

The conceptual approach in this paper has its elementals in TPB, which assumes that the intention to act entrepreneurially is determined by other factors (Dodd et al., 2009). Thus, the entrepreneurial intention is the plan found in a new business, which is influenced by desirability. According to Dodd et al. (2009), desirability is the degree to which a person intends to start a new business, which is perceived as a desirable career option. With desirability, people are likely to ask themselves if they want to do business. In this sense, the three desirability cognitive constructs proposed by Krueger and Brazeal (1994) are measured via this scale: "I would love doing it; I would not be tense at all; and I would be very enthused". Hence, the intention to act entrepreneurially is determined with other factors. Krueger and Brazeal (1994) explained that entrepreneurial intention is the plan to start a new business, which influenced by feasibility (Dodd et al., 2009). Therefore, feasibility is defined as the degree to which starting a new business is perceived as a feasible career option. According to Krueger and Brazeal (1994), feasibility can be measured by these scales: ease of start-up, the certainty of start-up success, ability to cope with start-up workload, sureness of themselves about start-up, and adequate start-up knowledge. Correspondingly, according to Mair and Noboa (2003), in the social entrepreneurship sense, the perceived desirability and feasibility are key motivations to pursue an opportunity and create a new venture and those perceptions of desirability and feasibility of entrepreneurial action can be considered as core antecedents of entrepreneurial intentions. Thus, feasibility and desirability are related to the works of Dodd et al., (2009) and Dissanayake (2013), who also adapted these scales in their studies.

Urban (2013) reported that the regulatory institutional environment has favorable perceptions and positive associations with perceived feasibility and desirability in emerging countries. By contrast, Bernardino et al. (2015) suggested that the regulatory environment should include a broad framework for social entrepreneurship. Consequently, Bygrave and Minniti (2000) expected individuals in a country are likely to uphold norms, which eventually lead to socially attractive and acceptable way perceptions. Finally, according to Urban (2008), behavioral and cognitive attributes are associated with social entrepreneurial intention. As such, the cognitive dimension enhances self-beliefs, which can increase people's perceived capability to act by facilitating the feasibility and desirability perceptions for being social entrepreneurs. As a result, institutional environment dimensions enable the entrepreneur to perceive social entrepreneurship as a desirable and feasible business for them. They eventually become important elements in social entrepreneurship processes. Therefore, the following hypotheses are proposed.

**Hypothesis 4a:** Perceived desirability mediates the relationship between the regulatory institutional environment (R) and social entrepreneurial intentions.

**Hypothesis 4b:** Perceived desirability mediates the relationship between cognitive institutional environment (C) and social entrepreneurial intentions.

**Hypothesis 4c:** Perceived desirability mediates the relationship between the normative institutional environment (N) and social entrepreneurial intentions.

**Hypothesis 5a:** Perceived feasibility mediates the relationship between the regulatory institutional environment (R) and social entrepreneurial intentions.

**Hypothesis 5b:** Perceived feasibility mediates the relationship between cognitive institutional environment (C) and social entrepreneurial intentions.

**Hypothesis 5c:** Perceived feasibility mediates the relationship between the normative institutional environment (N) and social entrepreneurial intentions.

To sum up, drawing upon the theory of intentions supported by Mair and Noboa (2003), the determination to become a social entrepreneur can be nurtured by desirability and feasibility perceptions. This assumption is similar to the claim that social entrepreneurs normally perceive themselves as capable of entrepreneurial actions. As such, the current study hypothesizes that institutional dimensions can be influenced by perceived feasibility and desirability. This work extends the theory by formulating that the role of perceived feasibility and desirability reflects the direct influence on social entrepreneurial intentions. As such, our last hypotheses can be stated as

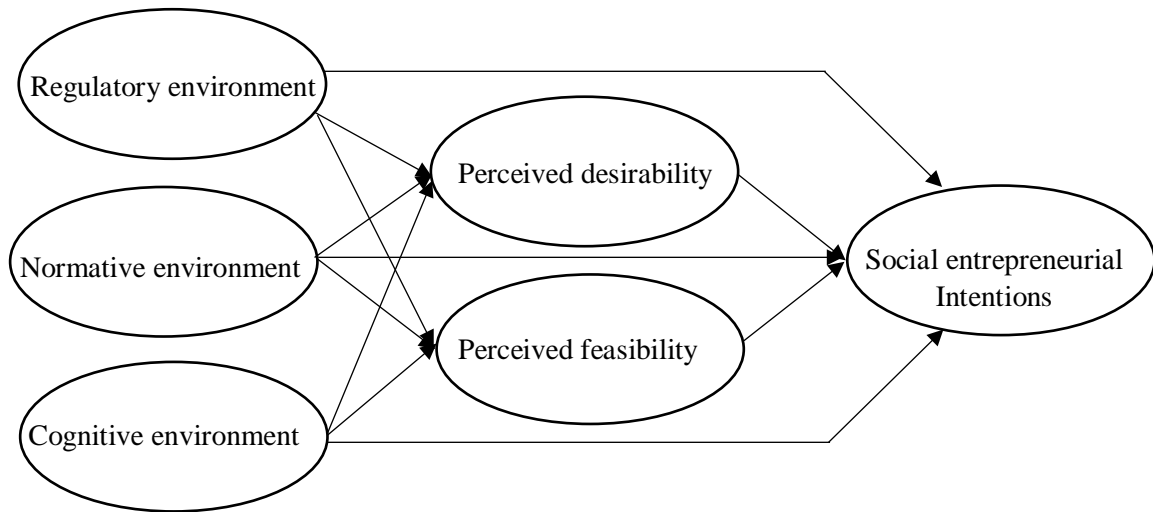
**H6a:** Perceived feasibility influences social entrepreneurial intentions.

**H6b:** Perceived desirability influences social entrepreneurial intentions.

### **3. Methodology**

#### **3.1 Framework**

This research has a theoretical framework for determining the perception of Thai undergraduate students on the influential factors on their intention to become social entrepreneurs. This framework draws upon institutional environments and their mediating effects, which are perceived feasibility and desirability.



**Figure 1.** Theoretical framework

### 3.2 Data collection

Questionnaires were given to 530 Thai undergraduate students from four leading universities in Chiang Mai Province, Thailand. The country institutional profile was measured using the scale developed by Busenitz et al. (2000). All questionnaire items were adapted from literature (Busenitz et al., 2000; Urban and Kujinga, 2017; Thoumrungroje, 2010; Manolova, 2008) and were rated via a five-point Likert scale. Chan et al. (2011) and Global Report (GEM, 2015) have found that the youth who study at the university has the highest propensity for becoming entrepreneurs. The sample of 530 Thai students comes from various degree courses (business management, design, engineering, and hospitality degrees). A total of 86.60% of them are aged 18–22; 53.39% of them are female and majoring in business.

A confirmatory factor analysis (CFA) was performed to assess scale validity. All factor loadings were greater than the 0.4 cutoff (Nunnally, 1978), and all indicators loaded significantly and essentially on hypothesized factors ( $p < .001$ ) with Cronbach's alphas greater than 0.7. Thus, they comply with the minimum acceptable level suggested by Nunnally (1978). Similarly, the results of the KMO and Bartlett's test also show results above the .50 cutoff, which is considered acceptable (Gerbing & Anderson, 1988). In Figure 2, CFA results indicate all scales achieved satisfactory levels of validity. The scale measuring country institutional environments is valid in Asian countries, such as Thailand. Table 3 shows the results of the scale assessment in detail.

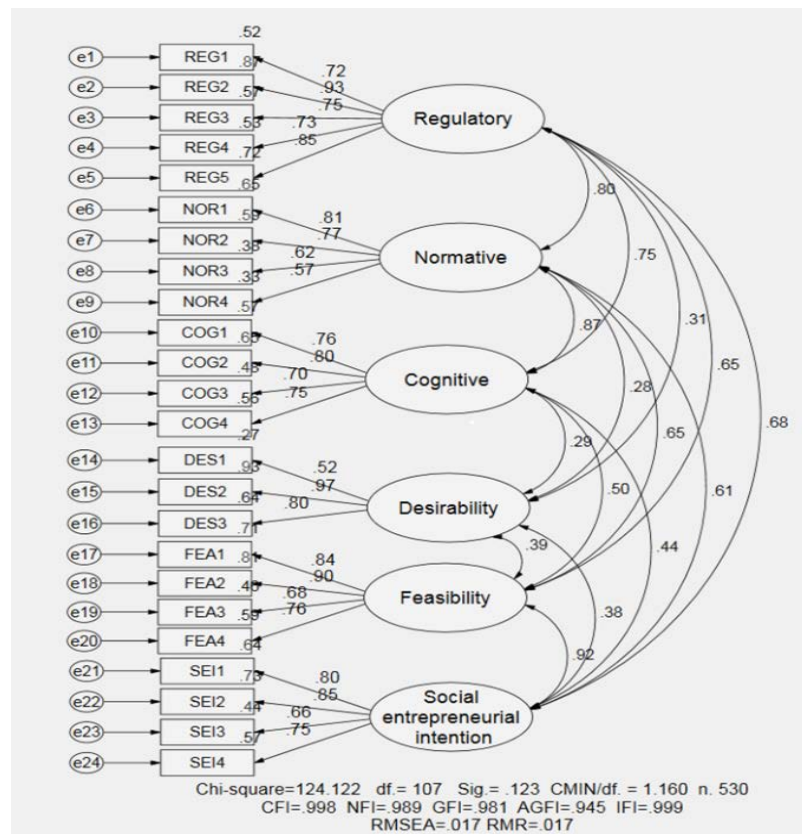


Figure 2. CFA results

Table2. Results of the scale assessment (N = 530)

Constructs	Items	Factors Loading	AVE	C.R.
1. Regulatory Institutional Environment	R1	.72	.60	.90
	R2	.93		
	R3	.75		
	R4	.73		
	R5	.85		
2. Normative Institutional Environment	N1	.81	.52	.81
	N2	.77		
	N3	.62		
	N4	.57		
3. Cognitive Institutional Environment	C1	.76	.57	.84
	C2	.80		
	C3	.70		
	C4	.75		
4.Perceived Desirability	D1	.52	.61	.82
	D2	.97		
	D3	.80		
5.Perceived Feasibility	F1	.84	.64	.88
	F2	.90		
	F3	.68		
	F4	.76		



6. Social Entrepreneurial Intentions	SEI1	.80		
	SEI2	.85		
	SEI3	.66	.60	.85
	SEI4	.75		

### 3.3 Measures and Validation

**Regulatory Institutional Environment (R).** We adopted scale items from literature (Busenitz et al., 2000). The scale for the regulatory dimension consists of five items. For example, government organizations assist individuals in starting their own social venture. We designed questionnaire for respondents to use a scale ranging from 1 = “disagree” to 5 = “agree” (Alpha = .92, KMO = .77).

**Normative Institutional Environment (N).** All scale items were adopted from the literature (Busenitz et al., 2000). The scale for the normative dimension comprises four items. For example, turning new ideas into social ventures is admired in this country. We designed questionnaire for respondents to use a scale ranging from 1 = “disagree” to 5 = “agree” (Alpha = .76, KMO = .67).

**Cognitive Institutional Environment (C).** We adopted scale items from literature (Busenitz et al., 2000). The scale for the cognitive dimension has four items. For example, those who start new social ventures know how to deal with risks. We designed questionnaire for respondents to use a scale ranging from 1 = “disagree” to 5 = “agree” (Alpha = .85, KMO = .81).

**Perceived Desirability (D).** The measures were derived from previous studies. The scale for perceived desirability (D) is composed of three items. For instance, “I would love it” (Liñán and Chen, 2009; Mair and Noboa, 2003). The questionnaire was designed to use a scale ranging from 1 = “disagree” to 5 = “agree” (Alpha = .77, KMO = .61).

**Perceived Feasibility (F).** We adopted scale items from previous studies. Perceived Feasibility (F) is measured using a four-item scale. For example, “I know enough to start a social business” (Liñán and Chen, 2009; Mair and Noboa, 2003). We designed the questionnaire for respondents to use a scale ranging from 1 = “disagree” to 5 = “agree” (Alpha = .87, KMO = .79).

**Social entrepreneurial intention (SEI).** We adopted scale items from literature (Hockerts, 2017; Dodd, 2009; Urban and Kujinga, 2017). Social entrepreneurial intention (SEI) is measured using a four-item scale. For example, “I have very seriously thought of starting social entrepreneurship in the future”. We designed the questionnaire for respondents to use a scale ranging from 1 = “disagree” to 5 = “agree” (Alpha = .83, KMO = .79).

**Analytical Approach.** Once all theoretical constructs have been validated, the relationships between constructs will be tested. Therefore, to test the hypotheses, we used structural equation modeling via Amos (Arbuckle, 2006). SEM analysis can analyze the correlation of model determinant, relationship strength for cross-sectional data, and the development of a modeling strategy. CFA needs to be performed to provide item values in subconstruct and to validate that they meet the validity and reliability requirements before the measurement and structural model processes.

#### 4. RESULTS

The descriptive statistics for all constructs and correlations are presented in Table 3. These data can be used to investigate the correlations and the relationships among three dimensions of institutional environments and social entrepreneurial intentions.

Table 3. Descriptive statistics: Mean, Standard deviation, and Correlations (N = 530)

Constructs	1	2	3	4	5	6
Regulatory	1					
Normative	.691*	1				
Cognitive	.618*	.772*	1			
Social entrepreneurial intentions	.670*	.517*	.407*	1		
Perceived desirability	.268*	.316*	.263*	.341*	1	
Perceived feasibility	.585*	.468*	.472*	.873*	.349*	1
Mean	3.61	3.66	3.64	3.69	3.79	3.65
Standard Deviation	.747	.669	.652	.677	.694	.700

\*. Correction is significant at the 0.01 level

As shown in Table 3, the initial investigation on the correlations and the relationships among the three dimensions of institutional environments and the social entrepreneurial intentions above show that all dimensions of institutional environments and social entrepreneurial intentions are consistent.

Table 4. Structural Equation Modeling results (n = 530)

Causal relationship	$\beta$	t-Value	P	Hypothesis
Regulatory environment -SEI	0.73	10.84	0.000**	H1: Supported
Normative environment-SEI	0.10	1.52	0.128	H2: N.S.
Cognitive environment -SEI	0.12	2.43	0.015*	H3: Supported
Regulatory environment - Desirability	0.07	1.36	0.173	H4a: N.S.
Normative environment - Desirability	0.15	1.09	0.272	H4b: N.S.
Cognitive environment – Desirability	0.10	0.81	0.414	H4c: N.S.
Regulatory environment- Feasibility	0.26	4.88	0.000**	H5a: Supported
Normative environment- Feasibility	1.06	6.53	0.000**	H5b: Supported
Cognitive environment - Feasibility	0.66	4.94	0.000**	H5c: Supported.
Desirability- SEI	0.01	0.55	0.583	H6a: N.S.
Feasibility- SEI	0.97	18.70	0.000**	H6b: Supported

GFI = 0.904; CFI = 0.953; IFI = 0.953; RMSEA = 0.07; CMIN/df = 4.010

\*\*Significant at the 0.01 level

\* Significant at the 0.05 level

Table 4 demonstrates the causal relationship among the constructs. The hypotheses and the direct effect of three institutional environment dimensions are supported substantially. For instance, H1: the regulatory environment toward social entrepreneurial intentions ( $\beta = .73$ ,  $p^{**}<0.01$ ), H2: the normative environment toward social entrepreneurial intentions ( $\beta = .10$ ,  $p= 128$ ), and H3: the cognitive environment toward social entrepreneurial intentions ( $\beta = .12$ ,  $p^{*}<0.05$ ). As such, the institutional environment dimensions toward social entrepreneurial intention in this study validated the measurement scale of Busenitz et al., (2000) substantially. However, four hypotheses are not supported. For example, H4a: regulatory environment toward perceived desirability ( $\beta = .07$ ,  $p=.173$ ), H4b: normative environment toward perceived desirability

( $\beta = 0.15$ ,  $p = .272$ ), H4c: cognitive environment toward perceived desirability ( $\beta = 0.15$ ,  $p = .272$ ), and H6a: perceived desirability toward social entrepreneurial intention ( $\beta = 0.01$ ,  $p = .583$ ). The results address the question of whether the three determinants of institutional environments toward perceived desirability are all insignificant because they all are not supported hypotheses. The work of Urban and Kujinga (2017) explains that these insignificant institutional environment dimensions might have a direct influence on social entrepreneurial intentions but not on perceived desirability. For further understanding, a t-test was performed to explore and understand the differences between genders towards social entrepreneurial intentions, as shown in Table 5.

Table 5. Independent samples t-test (Gender)

Sample groups Variable	Male(n = 250)		Female (n = 280)		T	P-value	Df
	M	SD	M	SD			
Regulatory (R)	3.62	.773	3.59	.724	.481	.631	528
Normative (N)	3.68	.662	3.64	.676	.742	.459	528
Cognitive (C)	3.66	.623	3.61	.677	.727	.468	830
Feasibility (F)	3.62	.707	3.68	.693	.934	.351	830
Desirability (D)	3.80	.707	3.77	.684	.484	.628	830
Social entrepreneurial intentions	3.67	.729	3.71	.682	.621	.535	830

From Table 5, the results of the t-test revealed substantially insignificant differences between male and female students in all factors. Among these determinants, male students scored slightly higher than female students. Thus, although all factors are crucial in spurring social entrepreneurial intentions, and each has an indifferent effect on male and female university students.

## 5. CONCLUSION AND DISCUSSION

Drawing upon the institutional theory, the paper investigates the regulatory, cognitive, and normative environments in the context of Thailand. The results of this study can be summarized in two statements. First, the social entrepreneurial intention is affected significantly by the institutional profiles. For instance, the regulatory environment toward social entrepreneurial intentions ( $\beta = .73$ ,  $p^{**}<0.01$ ) and the normative environment toward social entrepreneurial intentions ( $\beta = .12$ ,  $p^{*}<0.05$ ). As such, these institutional environment dimensions provide empirical validation of the scale of Busenitz et al. (2000) for measuring institutional profiles for social entrepreneurship substantially and its applicability in an emerging country in Asia, such as Thailand. Therefore, all involved sectors need to build a procedure and a support mechanism to sustain the strengths of those initial conditions to nurture new venture creation successfully. Second, a new venture is affected significantly by perceived desirability and feasibility as mediators to predict social entrepreneurial intentions. Four hypotheses are not supported: H4a: regulatory environment toward perceived desirability ( $\beta = .07$ ,  $p = .173$ ), H4b: normative environment toward perceived desirability ( $\beta = 0.15$ ,  $p = .272$ ), H4c: cognitive environment toward perceived desirability ( $\beta = 0.15$ ,  $p = .272$ ), and H6a: perceived desirability toward social entrepreneurial intention ( $\beta = 0.01$ ,  $p = .583$ ). This finding reinforces and extends the view that perceived desirability and feasibility are drivers of

social entrepreneurial intentions. The government might need to set up an incubation center for social entrepreneurs or considering and managing initial conditions that are necessary for improving new social venture in the country. Social entrepreneurs must also improve key skills at each stage of new venture creation because they are the precondition for firms to survive and grow (Gao et al., 2010).

## **6. LIMITATIONS AND FUTURE RESEARCH**

The study has some limitations because we received all data via an offline survey from four universities in the northern part of Thailand. Such data may not entirely represent the university students across the country. In addition, the results may not be applied to worldwide students or other emerging countries. This study, therefore, represents an important agenda for researchers to investigate if and how institutional profiles have an impact on university students' social entrepreneurial intentions. This work aims to extend the application of the institutional instrument in Asian emerging economies to provide an improved understanding of different institutional contexts in businesses, especially social business. The authors also clarify how entrepreneurship in a country is shaped by the important role of the institutional environments in the Thailand context as an example. In addition, enacting and enforcing laws, regulations, and policies, which are set by governments can provide entrepreneurial opportunities to individuals. As such, the authors believe this study can be helpful for policy-makers and other institutions in regulating and facilitating future plans for entrepreneurship development. Future research may consider cross-cultural study, which is also good for further study by comparing the effects of different national institutional environments toward social entrepreneurship. This plan will affect the development of social entrepreneurship theories and practices. The current study also aims to provide some implications for policy-makers in Thailand for further developments to enhance social entrepreneurship in different groups of people and genders so that the country can enjoy economic growth and expansion after the recent unprecedented political chaos.

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