

Effects of Social Identity, Moral Obligation, Perceived Social Impact, and Mentorship on Social Entrepreneurship Readiness among Higher Education Students in India

¹Dr. V. Priyadarshini ²Dr. R. Sathya

¹Assistant Professor – School of Management,

Sathyabama Institute of Science and Technology, Sriperumbudur Campus, TN, India

²Assistant Professor – BBA Department, Voorhees College, Vellore, TN, India

¹priyadarshini.v.soms.spd@sathyabama.ac.in ²sathya.s528@gmail.com

Abstract

Social entrepreneurship serves as an effective mechanism for addressing societal challenges by facilitating the introduction of products and services and creating markets for issues that require attention. In doing so, it also generates employment opportunities and contributes to economic development. Initiatives and efforts within higher education institutions can effectively cultivate student involvement in social enterprises. The current study employs Social Identity Theory (SIT), Norm Activation Theory (NAT), and Social Cognitive Theory to elucidate the primary dimensions of social entrepreneurship. According to this study, social entrepreneurship readiness (SER) is predicted by social identity, moral obligation, perceived social impact, and mentorship assistance. This study's main goal is to complete the knowledge gap in the studied research work about social and intrinsic elements that affect students' readiness to participate in social entrepreneurship. To investigate the associations between the variables, a suitability experimental method with a sample size of 283 and a descriptive study design were used in conjunction with Structural equation modelling using partial least squares (PLS-SEM). Analysis data revealed that all four indicators exerted a favourable impact on social free enterprise, with mentorship exhibiting the strongest effect, followed by moral obligation, perceived social impact and social identity. This study has several managerial implications that will assist policymakers, educational institutions, and social entrepreneurship initiatives in India.

Key Words: Moral obligation, perceived social impact, higher education students, social entrepreneurship

1. Introduction

It has been determined that social entrepreneurship is a useful instrument for tackling social, economic, and environmental issues. Higher education institutions, including universities and campuses, serve as ideal environments for young individuals to explore real-world problems and foster innovation, ultimately leading to entrepreneurial thinking. College students, in particular, have the opportunity to explore issues more broadly and are a crucial demographic for generating novel solutions to social issues through innovative ideas. Young people's readiness to participate in social employability reflects their cognitive preparedness, which is influenced by their learning environments. Certain sectors, such as education, clean energy, agriculture, financial inclusion, sanitation, and water, require attention for societal development, and communal free enterprise between higher-education pupils is familiar as a valuable tool in this regard. In India, youth-based social entrepreneurship is characterized by institutional efforts, national policies, and community engagement. There is evidence of growth in youth-based social ventures, with young individuals demonstrating the capability for innovation and creativity, ultimately leading towards the establishment of social initiatives and

economic development (Bublitz et al. 2021). Institutional entrepreneurship development cells guide engineering and management students in India to engage in social entrepreneurship processes (Malhotra et al., 2023). Students' entrepreneurial intentions and self-efficacy are influenced by institutional entrepreneurial cells, campus incubators, and extracurricular activities (Subhadrammal et al., 2023). Students interested in social entrepreneurship refine their ideas through mentoring support, practical training, and financial assistance, all of which are facilitated by India's national policies, such as social incubators and the Atal Innovation Mission (Malhotra et al., 2023). The initiation of social enterprises by students is contingent on their proactive personality, innovativeness, social vision, and prosocial goals (Lyu et al., 2024). Community responsibility, leadership skills, and the provision of employment opportunities are key drivers of social engagement entrepreneurship (Portuguez et al., 2021). Despite numerous factors, social and psychological elements play a pivotal role in social entrepreneurship. Students' creation of socially responsible enterprises is influenced by access to mentors, moral compulsion, and social identity. Students with strong community ties tend to cultivate an increased feeling of accountability and address the societal needs. Effective mentorship and guidance for students with high social responsibility values enhance their engagement in socially responsible practices. Students' affective and cognitive empathy contributes to the creation of social ventures, with cognitive empathy having the most significant impact (Dickel and Johnson, 2024). Prosocial behavior, an outcome of empathy, is mediated by self-efficacy and a socially supportive environment (Tongbin & Marof, 2024). Moral identity and moral responsibility surpass peer support and empathy in the social entrepreneurship process (Tran et al., 2025). Psychological traits, perceived communal support and the desire to pursue communal employability, and self-efficacy are all mediators (Tiwari et al., 2022). Behavior is influenced by intention; however, existing studies demonstrate that social norms, behavioral control, and self-efficacy are cognitive variables associated with the social entrepreneurial process (Belchior and Lyons, 2021). The outcome of social entrepreneurship depends on the support of family, peer groups, and a strong sense of community involvement (Fu et al. 2022). Despite the various positive outcomes of entrepreneurship education, not all students enrolled in entrepreneurship education are prepared to transform their intentions into actual implementation. Therefore, it is essential to understand how social factors, moral obligations, mentorship support, and social identity shape the social entrepreneurship process of higher-education students. Policymakers, educators, and other stakeholders can benefit greatly from this information.

1.1 Background of the Study

This study examines various theoretical frameworks to elucidate the factors influencing students' engagement in social entrepreneurship and prosocial behavior. According to Social Identity Theory, individual self-concept significantly influences their voluntary participation in social groups. Individuals within a specific group possess a sense of collective action, with group motivation, attitudes, and behaviors shaping their actions (Trepte and Loy, 2017). When students have opportunities to establish closer connections with their community or peer groups, it fosters their commitment to achieving collective goals. Strong identification with social groups enhances participation in social welfare, altruism, and collective action, as demonstrated in both field and experimental studies (Di Bernardo et al., 2021). This sense of belonging fosters a positive approach among students in addressing social issues.

Norm Activation Theory posits that when individuals recognize social problems and feel a heightened sense of responsibility to address them, their moral dimensions are activated. Awareness of the consequences of their actions triggers moral elements, ultimately influencing

pro-environmental and prosocial behaviors (Confenti and Scarpi, 2021). Meta-analyses have demonstrated that prosocial actions and pro-environmental behaviors result from moral or personal norms (Krettenauer and Lefebvre, 2021). Personal and moral responsibilities significantly influence altruism and environmentally responsible practices (Confenti and Scarpi, 2021). This moral dimension acts as a psychological component that shapes students' prosocial behavior, ultimately leading them to engage in social entrepreneurship (Helferich 2023).

SCT suggests in which communal sustenance suggestively influences learning and self-efficacy. This theory highlights the importance of observational learning and social modeling. Mentorship and guidance are crucial for overcoming challenges, ensuring impact, and leading social enterprises. Effective mentorship, validated by students, demonstrates that social support enhances self-efficacy, ultimately directing students' intentions towards creating sustainable projects and entrepreneurial ventures (Bowe et al., 2020). When individuals perceive the consequences and impact of their actions, they are more inclined to participate in supportable development and community involvement (Bowe et al. 2020). This element is instrumental in fostering students' confidence in initiating socially responsible ventures within the economy. Prosocial Motivation Theory emphasizes that individuals who seek to create a significant societal impact do so through their social initiatives. It is evident that perceived social impact serves as a meaningful driver for students who value creating social enterprises.

2. Literature Review

Social identity represents grade toward which people observe themselves as members of a particular community or social collective. Students who have a deep connection to socially responsible groups are additional possible toward involve cutting-edge actions in which donate toward community welfare and social development. Such identification encourages cooperation, collective responsibility, and participation in initiatives aimed at addressing societal challenges. Students often exhibit a strong affiliation with peer groups and communities that prioritize social welfare, making them more inclined to engage in challenges and address community issues. Existing research on volunteering and civic participation has demonstrated an increase in student involvement in social communities and innovation in recent times. Social justice and ethnic identity serve as mediators of youth empowerment and psychological involvement in community and civic participation (Bowe et al., 2025; Bowe et al., 2020). Collective efficacy, belongingness, motivation, and volunteering are shared group identities within social groups that support well-being and sustainable engagement practices (Gray & Stevenson, 2020). Prosocial engagement and socioeconomic position are mediated by community identity, and a mature identity significantly influences participation and civic obligation (Chui et al., 2025). Social identity facilitates innovation based on community, civic participation, and helping behaviors, ultimately leading to social entrepreneurship involvement. Students within a social group are shaped to participate in addressing the well-being of stakeholders. If students perceive themselves as having a socially responsible obligation, they may be psychologically prepared to contribute to social enterprise processes. Therefore, the following theory is put forth.:

Ha1: Social identity has an effect of students' readiness for social entrepreneurship.

Moral duty describes a individual's internal wisdom of responsibility to behave in a manner that benefit society in turn support the well-being of others. This personal commitment often emerges from ethical values and social norms that guide behavior. Students who possess

stronger moral convictions may be more inclined to participate in initiatives designed to address social and environmental issues.

Ha2: Moral obligation has an effect of students' readiness for social entrepreneurship.

Perceived social impact reflects the amount near which individuals believe that their activities can produce meaningful and positive outcomes for society. When students recognize that their efforts can generate measurable improvements in communities, they are more likely to remain committed to social entrepreneurial activities and pursue solutions to societal problems.

Ha3: Perceived social impact has an effect of students' readiness for social entrepreneurship.

Mentorship provides students with practical guidance, professional insights, and emotional encouragement throughout the entrepreneurial journey. Through interactions with experienced mentors, students can improve their problem-solving abilities, strengthen self-confidence, and better understand how innovative ideas can be transformed into sustainable social ventures.

Ha4: Mentorship has an effect of students' readiness for social entrepreneurship.

Entrepreneurial engagement and readiness depend on an individual's competence, motivation, and intentions (Lucio et al., 2024). Students' motivational, emotional, and psychological preparedness reflect their readiness for the social entrepreneurship process. Both intrinsic and extrinsic factors contribute to students' intentions in the social venture creation process. Community service activities, institutional social innovation clubs, student venture clubs, and incubation cells significantly contribute to students' intentions to engage in the social venture process. Mentorship, perceived social impact, moral obligation, and social identity are critical dimensions of students' preparedness for the social venture process.

3. Methodology of Research

The current research utilized a descriptive approach strategy towards inspect in which influence the mentorship, moral obligation, perceived social impact, and social identity on higher-education students Regarding communal self employability. Students enrolled in higher education in India enrolled in entrepreneurship-related initiatives offered by institutions or other organizations. A descriptive research design is widely recognized for studying attitudes and perceptions, as noted by Tahir et al. (2019). A total of 283 useable replies remained acquired, which constitutes a satisfactory sample size for PLS-SEM. For prediction, the PLS-SEM is quite useful, especially when dealing with small sample sizes (Noor et al., 2017). Convenience sampling is deemed more appropriate when students are the target population for behavioral and entrepreneurship studies (Wardana et al., 2020). Consequently, this study employed a convenience sampling technique and collected responses from students through a structured questionnaire administered online and in person. The inquiry form, primary information gathering process, utilized validated measurement scales, utilising a Likert scale with 1 representing "strongly disagree" and 5 representing "strongly agree".

The scale for students' readiness for social entrepreneurship, comprising four items, was adapted from Urban (2015). The mentorship scale, also with four items, was derived from St-Jean and Audet (2013). The perceived social impact measure, with four things, was sourced

from Saebi et al. (2019). The moral obligation amount, through four things, remained referenced after Biswas et al. (2021). The social identity balance, through four things, remained referred since Ko et al. (2020). Demographic variables such as type of institution, degree, age, and gender were included, and the Kruskal-Wallis test was employed to evaluate significant variances among these demographic variables and the constructs used in this study. The Kruskal-Wallis test exposed no significant changes among the demographic variables and the constructs, except for the type of institution and the mentorship variable, where students from deemed institutions exhibited higher exposure to mentorship than those from government, private, and autonomous institutions. To analyze complex models with a minimal sample size and predictive orientation while accommodating data non-normality, PLS-SEM is an appropriate statistical technique. Therefore, the current study adopted PLS-SEM and used PLS 4 software. This study employed a two-step approach that incorporated both measurement and structural equation models in PLS-SEM.

3.1 Data Analysis and Interpretation

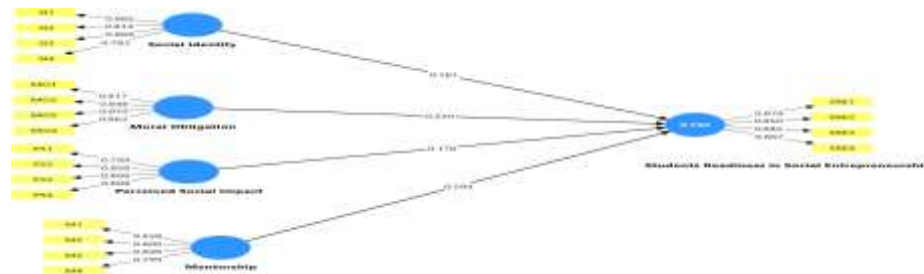


Figure 1: Measurement Model - Factor Outerloadings and R square

The diagram illustrating dimension prototypical demonstrates that factor outside downfalling of all indicators within constructs employed in the study exceed 0.70, thereby confirming the reliability of constructs such as students' readiness for social entrepreneurship, mentorship, perceived social impact, moral obligation, and social identity. Factor loadings above 0.70 indicate a strong theoretical alignment within the constructs used in this study (Tahir et al., 2020). An R-squared value exceeding 0.67 suggests that the model possesses a high level of explanatory power in behavioral science research (Noor et al., 2017). Specifically, value of R squared is 0.782 specifies in which students' readiness for social entrepreneurship has substantial explanatory power within the model.

Paradigms	Cronbach's alpha	Composite dependability	Extracted average variance (AVE)
Mentorship	0.840	0.846	0.675
Moral Obligation	0.855	0.859	0.697
Perceived Social Impact	0.836	0.838	0.670
Social Identity	0.851	0.855	0.691

Students Readiness in Social Entrepreneurship	0.892	0.894	0.756
---	-------	-------	-------

Table 1: Construct Reliability

Threshold ideals for Cronbach's alpha and composite reliability exceeded 0.7, while the Average Variance Extracted (AVE) surpassed 0.50, indicating convergent validity (Tahir 2020). The Cronbach's alpha for all constructs cutting-edge the current research exceeded 0.840, it is above the suggested threshold of 0.70, thereby demonstrating strong inside reliability, as altogether hypotheses measured same concept. The composite reliability scores presented in the table indicate robust reliability. Furthermore, the AVE scores, which were greater than 0.50, suggest that all indicators effectively measured the same domains and constructs.

Constructs	Mentorship	Moral Obligation	Perceived Social Impact	Social Identity
Moral Obligation	0.744			
Perceived Social Impact	0.773	0.725		
Social Identity	0.749	0.686	0.779	
Students Readiness in Social Entrepreneurship	0.725	0.646	0.748	0.788

Table 2: Validité discriminante - Ratio Hétérotrait-monotrait (HTMT)

The table above presents discriminant validity through the HTMT matrix, with values below 0.85, indicating that each construct is conceptually distinct. An HTMT value of less than 0.85 suggests that the constructs effectively overcome redundancy (Thair et al., 2020).

PATH	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Mentorship -> Students Readiness in Social Entrepreneurship	0.294	0.299	0.079	3.720	0.000 SUPPORTED
Moral Obligation -> Students Readiness in Social Entrepreneurship	0.330	0.334	0.100	3.295	0.001 SUPPORTED
Perceived Social Impact -> Students Readiness in Social Entrepreneurship	0.178	0.178	0.060	2.961	0.003 SUPPORTED

Social Identity -> Students Readiness in Social Entrepreneurship	0.181	0.172	0.091	1.995	0.046 SUPPORTED
---	-------	-------	-------	-------	--------------------

TABLE 3: BOOTSTRAPPING RESULTS HYPOTHESES TESTING

The table above shows outcome of bootstrapping investigation, which aids understanding outcomes of these hypotheses. Hypothesis Ha1, which examined the effect of social identity on students' readiness for social entrepreneurship, yielded value of the beta is 0.178 and value of p is 0.046. This indicates the acceptance of the hypothesis at the 5% level of significance, albeit with a weaker effect. This suggests that students within social groups are actively prepared to contribute to society and development through social entrepreneurship. Similar receipt of this hypothesis has been validated in previous studies across different cultures, as noted by Huang et al. (2025), Pan et al. (2019), and Bowe et al. (2020). Hypothesis Ha2, concerning the influence of moral obligation on social entrepreneurship, had value of the beta is 0.330 and value of the p is 0.001, indicating a strong predictor and acceptance of the hypothesis. This finding implies that students' moral obligation or personal sense of addressing social challenges motivates them to engage in entrepreneurial initiatives. This hypothesis has also been validated in prior studies across various cultures, as evidenced by Eom et al. (2025), Lin and Shek (2022) and Capraro et al. (2019). Hypothesis Ha3 examines the effect of perceived social impact on readiness for social entrepreneurship. The beta and p-values support the acceptance of this hypothesis, suggesting that students' trust in the significant societal changes brought about by social entrepreneurship influences their preparedness for the entrepreneurial process. This hypothesis has been similarly validated in previous studies across different cultures, as reported by Antolin-Lopez (2022) and Sattaya Pinch (2022). Hypothesis Ha4 addresses the protagonist of mentorship in students' readiness for social entrepreneurship. The results indicate the acceptance of the hypothesis, highlighting that appropriate guidance and mentorship facilitate students' preparation for the social entrepreneurship process. This hypothesis has been validated in prior studies across various cultures, as demonstrated by Ioannou and Retalis (2025) and Villa et al. (2022).

3.2 Findings and Managerial Implications

All the hypotheses mentioned in this study were accepted. Among all the constructs, moral obligation and mentorship were the strongest predictors of enhancing students' preparedness for social entrepreneurship. The overall model indicates that 78.2% of the variance in the outcome variable of students' readiness in the social entrepreneurship process is explained. The current study provides various suggestions for policymakers, universities, and social entrepreneurship ecosystems. There is a need for a robust mentorship system within institutions; therefore, institutions must connect alumni, NGOs, and entrepreneurs to provide mentorship for students, which can enhance their practical exposure, emotional support, and direction. Prosocial goals depend on moral obligations, which are crucial drivers of social entrepreneurship (Eom et al., 2025; Turner et al., 2025). Moral obligation shows a part in social private enterprise (Eom 2025; Capraro 2019); hence, institutions can incorporate social responsibility, value-driven leadership, and empathy into their curriculum. Perceived social impact also plays a role in social entrepreneurship (Antolin-Lopez et al., 2022); therefore, institutions may focus on community engagement projects, live projects, and field visits. Institutions can strengthen social or group identities through community engagement programs,

social innovation cells, and student clubs. Social hackathons, design-thinking workshops, NGO internships, and service learning are various experiential learning practices that institutions can focus on to cultivate social entrepreneurship among students.

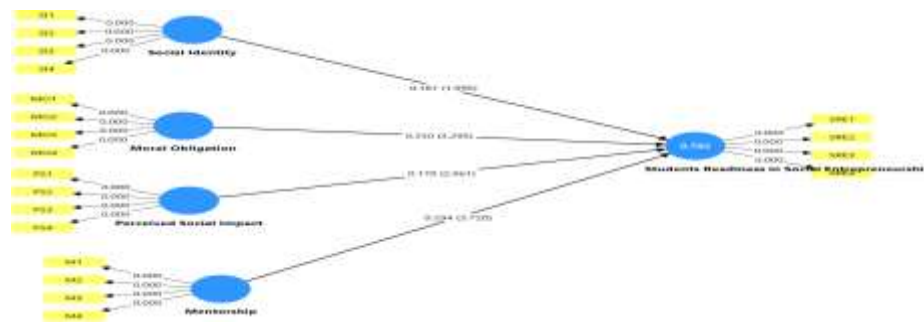


Figure 2: Boot strapping results

4. Conclusion and Scope for further Research

Mentorship, perceived social impact, moral obligation, and social identity significantly influenced social entrepreneurship among students. Among these, moral norms, as an intrinsic motivational factor, exert the greatest influence, indicating that ethical responsibility shows a predominant character cutting-edge inspiring students to create social enterprises. The study concludes that both intrinsic and extrinsic factors are crucial in encouraging students to become social-enterprise founders. The research findings are expected to assist institutions and organizations involved in social entrepreneurship initiatives in leveraging these factors among higher education students.

Future studies should incorporate variables such as prosocial motivation, social support, empathy and entrepreneurial efficacy. Additionally, future researchers should consider conducting longitudinal and comparative studies across different cultural contexts, as this research remained partial and limited to Tamil Nadu regions of Chennai and Vellore.

References

- Antolín-López, R., Jerez-Gómez, P., & Rengel-Rojas, S. B. (2022). Uncovering local communities' motivational factors for partnering with nonprofits for social impact: A mixed-methods approach. *Journal of Business Research*, 139, 564-583.
- Biswas, A., & Verma, R. K. (2021). Attitude and alertness in personality traits: a pathway to building entrepreneurial intentions among university students. *The Journal of Entrepreneurship*, 30(2), 367-396.
- Confente, I., & Scarpi, D. (2021). Achieving environmentally responsible behavior for tourists and residents: A norm activation theory perspective. *Journal of Travel Research*, 60(6), 1196-1212.
- Dickel, P., & Johnson, M. P. (2024). Perspective-taking or feeling? The role of cognitive and affective empathy for adolescents' social entrepreneurial intentions. *Journal of Social Entrepreneurship*, 1-24.
- Eom, K., & Choy, B. K. (2025). Is common behavior considered moral? The role of perceived others' motives in moral norm inferences and motivation about environmental behavior. *Journal of Experimental Social Psychology*, 116, 104684.

Krettenauer, T., & Lefebvre, J. P. (2021). Beyond subjective and personal: Endorsing pro-environmental norms as moral norms. *Journal of Environmental Psychology, 76*, 101644.

Pan, N. D., Gruber, M., & Binder, J. (2019). Painting with all the colors: The value of social identity theory for understanding social entrepreneurship. *Academy of Management Review, 44*(1), 213-215.

Rosenthal, S., & Ho, K. L. (2020). Minding other people's business: Community attachment and anticipated negative emotion in an extended norm activation model. *Journal of Environmental Psychology, 69*, 101439.

Tahir, M., Khattak, S. R., Safwan, N., Usman, A., & Adnan, A. (2019). The effects of PSL team characteristics and players' performance on fans' emotions and behavioral intention.