



## Investigating the impact of empowerment on entrepreneurship with emphasis on social innovation in informal settlements in Tabriz

**Saeideh Samadzad <sup>\*1</sup>**

<sup>1</sup> Assistant Prof. Academic Center for Education, Culture and Research (ACCER), Tabriz, Iran

ARTICLE INFO	ABSTRACT
<p><i>Received: 4 July 2023</i></p> <p><i>Reviewed: 31 August 2023</i></p> <p><i>Revised: 11 September 2023</i></p> <p><i>Accept: 3 November 2023</i></p>	<p><b>Purpose:</b> The current research aims to investigate the impact of empowerment on entrepreneurship with an emphasis on social innovation in informal settlements.</p> <p><b>Methodology:</b> This research is applied in terms of purpose and descriptive-survey in terms of method. The primary tool for collecting information is interview and questionnaire. The statistical population of the research is the Khalilabad neighborhood of Tabriz city. Thus, in the exploratory interview phase, ten experts in the field of entrepreneurship and human resources were used to design the conceptual model and to analyze the statistical model from among the statistical population (the number of active population of 10 years and older in Khalilabad neighborhood) 352 people were used according to Cochran's calculation formula. In order to analyze the findings of the research, structural equations technique, partial least squares approach has been used.</p> <p><b>Findings:</b> Based on the information analysis findings, empowerment's impact on social innovation is positive and significant, with a path coefficient of 0.962. The effect of empowerment on entrepreneurship with a path coefficient of 0.251 and the effect of social innovation on entrepreneurship with a path coefficient of 0.166 is positive and significant. Also, the results show that economic factors (path coefficient 0.449), technical (path coefficient 0.116), socio-cultural (path coefficient 0.156), and managerial factors (path coefficient 0.10) also have a positive and significant effect on entrepreneurship.</p> <p><b>Originality/Value:</b> an informal settlement is a housing that does not comply with legal and regulatory frameworks and is established in cities, which can be informal at several levels.</p>
<p><b>Keywords:</b>  <i>Informal Settlements,  Khalilabad, Empowerment,  Entrepreneurship, Social  Innovation</i></p>	

\* Corresponding Author: s.samadzad@acecr.ac.ir

## 1. Introduction

Today, because entrepreneurial activities in society can significantly help countries' economic growth and development, entrepreneurship is known worldwide as one of the sources of growth, job creation, and innovation [1]. Entrepreneurship is a process that plays a vital role in national and even global continuity, growth, and development. The importance of the discussion of entrepreneurship is so great that economists consider entrepreneurs to be the engine of economic growth and development of society [2]. The noteworthy point is that it is essential to pay attention to the issue of entrepreneurship not only in big cities but also in medium and small cities and even informal settlements. Entrepreneurship in informal settlements is more difficult than entrepreneurship in developed areas due to the limited access to resources and facilities as well as the lack of development of social relations. Therefore, the effectiveness rate of entrepreneurship is higher in such areas. Meanwhile, East Azerbaijan province, especially the metropolis of Tabriz, is not exempt from the phenomenon of informal settlements. Khalilabad neighborhood of Tabriz city is one of the informal settlements, which according to the obtained estimates, has a population of 21 thousand and 373 people, and it is approximately 1.5% of the population of Tabriz city, of which 4911 people, the population of 10 years and older is active in the neighborhood. Surveys have shown that in informal settlements, despite the high capacities in the field of entrepreneurship, the use of these potentials for the development of employment and the labor market has been neglected, and the identification of factors affecting their development and progress is still a problem for entrepreneurs.

Research results have shown that various factors affect entrepreneurship. For example, a person who undertakes entrepreneurship needs to have innovation, creativity and empowerment in order to face unforeseen and unfavorable conditions [3]. Social innovation covers diverse sectors and brings new products, processes, new and responsive models. In the Europe 2020 strategy, creativity and innovation in general and social innovation in practice and in particular are essential factors for strengthening sustainable growth, job security, increasing competitive capabilities and entrepreneurship. On the other hand, entrepreneurship development and empowerment complement each other and empower people in various entrepreneurial activities, including social, economic-cultural, technical, etc. One of the most effective ways to increase productivity, improve the level of activity and success rate in the field of entrepreneurship is empowering people. Researchers believe that empowerment plays an important role in providing feedback, creative participation, innovative behavior and generally promoting proactive behaviors. Empowerment enables people to gain autonomy, control, and self-confidence, and to overcome existing limitations with a sense of individual and collective power. Therefore, knowing the importance of the subject, the basic question of the current research is how empowerment affects entrepreneurship with an emphasis on social innovation in informal settlements (Khalilabad neighborhood of Tabriz city).

## 2. Literature review

### Informal settlements

According to the report of the United Nations Human Settlements Center (2003), an informal settlement is a housing that does not comply with legal and regulatory frameworks and is established in cities, which can be informal at several levels. Researchers believe that informal settlements are associated with an accumulation of low-income strata and are often associated with informal jobs and a way of unsustainable urbanization and are considered the basis of much social harm. Some researchers also stated that informal settlements are the product of unfair distribution of power, wealth and services at the national and regional levels. This has created a more acute situation in third world countries than in developed countries and as a result these settlements have imposed an unfortunate situation on the main city in creating housing, employment, education and health. In developing countries, the first factor in the emergence of informal settlements is the economy, followed by cultural and social reasons. With

the premise that the cause of the formation of informal settlements is poverty and structural factors, many policymakers at macro levels have been looking for macro solutions for this phenomenon.

### **Entrepreneurship, Empowerment and Social Innovation**

Today, focusing on macroeconomic policies, including entrepreneurship, has always been considered as the root solution of poverty and poor neighborhoods [4]. In such a way that in most societies there is a consensus on the development of entrepreneurship as an "engine of growth and development". Entrepreneurs have great capacities for the economic and social development of any country, and in addition to the possibility of different and new choices, they provide new job opportunities and are useful in times of crisis to overcome problems [1]. Over the past few years, due to various world disturbances, many people have lost their jobs, and informal settlements are not excluded from this. In such conditions, entrepreneurship is considered as a cure for unemployment and growth issues. According to Henderson (2002), entrepreneurship is the process of discovering or developing an opportunity to create value through innovation. Entrepreneurs often grow and expand by adding wealth to the local economy. Entrepreneurs are not only creators of new local opportunities, but also producers of new wealth and new value [5]. In other words, entrepreneurs are innovative users of local resources and assets. In the meantime, considering the extensive environmental changes in today's turbulent world, having a basic strategy for the development and expansion of entrepreneurship is very important and essential. In this regard, the strategy of empowerment in line with the growth of human resources is very important. Empowerment is not only a kind of internal work motivation, but also an active motivational tendency. The existence of rapid changes, technological advances and open and hidden competition in the world has revealed the importance and necessity of empowerment more than ever. Empowering people is one of the effective techniques for increasing productivity and optimal use of their individual and group capacities and abilities in order to achieve the goals of entrepreneurship. There is no single definition of empowerment in the literature, but its definition depends on the situation and people, and more research should be done to understand its nature. Blanchard (1996) believes that many people view empowerment from the point of view of giving people the power to make decisions.

Many people also understand the meaning of empowerment as gaining unconditional freedom to perform any task. Empowerment is also about unleashing people's inner power to achieve amazing things. Empowerment means empowering, and it means helping people to improve their sense of self-confidence and overcome their ability or helplessness. Enthusiasm for activity should be created in people and their internal motivations should be mobilized to perform their duties. Researchers believe that any strategy or management technique that leads to increasing the right of self-determination and self-sufficiency of employees will lead to their empowerment. On the other hand, capable people can bring market-oriented innovation by relying on innovation and entrepreneurship. Moreover, empowerment is one of the main sources of creativity. Therefore, the possibility of creative behavior by empowered people is higher [6]. In the definition of the World Organization for Economic Development and Cooperation, social innovation seeks to find new answers to social problems and challenges. Any innovation that responds to the social problem within the framework of local norms, values and norms with the aim of empowerment in such a way that its impact and final result is the efficiency and satisfaction of the government and society is a social innovation [7]. Social innovation refers to the realization of the ability of a society through the development and implementation of new ideas and methods, new social, political or economic processes, new products, services and systems, new policies and the like [8]. The goal of entrepreneurship and social innovation is to meet unsolved social needs and solve social challenges, and there is a very close relationship between these two concepts. Social innovation often originates from the social entrepreneurship sector and then other sectors use it. These two concepts are part of the solutions to the problems of the contemporary world; because their goal is to provide innovative solutions for unsolved social problems. Murray et al presented the six-stage circular process of realizing social innovation, which begins with recognizing the problem to be solved, and with subsequent steps, it reaches systematic and extensive changes. Accordingly, innovation begins with the recognition of a problem that must be solved. Plans and ideas

that may involve a wide range of resources and experiences are then reviewed and developed. Next, prototypes or test projects are developed to test new ideas. At this stage, testing of ideas continues to find a solution that meets the identified needs. The implementation of this idea in everyday and sustainable ways takes place in the fourth stage. This step is necessary to ensure the longevity of the tape. Wide-scale dissemination and implementation is the fifth stage, during which strategies are devised to gain recognition of innovative solutions in other settings. Systematic changes are the ultimate goal of social innovations that occur at the last stage [9].

### **Background Research**

Hashempour et al, (2022) studied social empowerment in informal urban settlements by relying on assets with a descriptive-analytical approach. The results show that informal settlements carry certain social-participatory capacities and the empowerment of residents through local assets has led to effective development in the body of these tissues. Social capital, with a wide range of assets hidden in it, has been an influential component that has been observed in objective dimensions to raise the level of the quality of public life [10]. Barghi (2019) in a research titled "Investigation of the impact of empowerment programs in marginal areas in increasing social participation, after distributing and collecting questionnaires, the data were analyzed using regression tests and SPSS software, showed that there is a positive relationship between empowerment and social participation." Empowering marginalized areas and giving some privileges can have very effective effects for people living in these neighborhoods and increase social participation [11].

In a study using a meta-synthesis qualitative method, presented a model of the effectiveness of social entrepreneurship in the direction of empowering women in the local community. The results of the findings showed that all indicators, except for the indicator of having sufficient skills, had a significant effect on the empowerment of Bloch women in the marginal areas of Chabahar, and the most important of these indicators is the self-confidence index, and the indicators of the motivation to create employment, the level of education, eliminating discrimination from the labor market, The support policies of the government rank second to fifth in terms of the importance of empowering women in this region [12]. Golkarfard and Rezaei Moghadam (2018) investigated the relationship between entrepreneurship and empowerment of rural women in Fars province. The research was conducted through a survey method and through a questionnaire among rural women entrepreneurs who are members of the agricultural activities support company in Shiraz, Marvdasht and Estahban cities (3600 people). Based on the results, the variables of entrepreneurial spirit, entrepreneurial development, and participation in training classes, entrepreneurial knowledge, and the amount of use of information resources, environmental factors, supportive policies and skill in formulating a business plan predicted 56% of the changes in women's empowerment [13]. Keshtkar (2017) in a study investigated the identification of dimensions and components of social innovation in Iran. The results of the findings, which were made using the factor analysis approach and SPSS and Smart PLS software, show that governance, social space, content, value bases, policy and policymaking, process, resources, structures and institutions were identified as components. This research, while contributing to the development of social innovation literature, can be useful and exploitable for the scientific and executive community of the country [9].

In the article investigating risk of entrepreneurship and supporting development: Narratives of Indian women entrepreneurs believe that in most researches the focus is on the strategic perspective and macro policies and not on the individual and micro level. In this research, the narratives of six female urban entrepreneurs are presented. In their research, they focused on removing barriers to women's access to resources and financial facilities, eliminating inequalities in education, the need for planning to improve women's capabilities and skills, paying attention to small and domestic jobs, encouraging husbands to support women's businesses, paying attention to morale and they have emphasized the special requirements of women and such cases [14]. In a study investigated the factors of business sustainability and entrepreneurial continuity. The results of their studies show that the factors of sustainability and continuity should be considered in the cases of the finished price, provision of financial resources, provision of market needs, utilization of technology, utilization of maximum capacity, the need to pay attention to the upstream areas of jobs, organization of jobs, specialization and evaluation and

monitoring Searched [15]. In a study, it was concluded that governments can be important economic drivers to improve the situation of informal settlements. Governments can facilitate private funding to invest in informal settlements by creating investment incentives in infrastructure projects. Research results have shown that governments that have national urban development policies are more likely to allocate financial resources for the improvement and improvement of informal settlements [16]. Kollmann et al, (2017) based on a social cognitive perspective on success motivations concluded that the fear of failure affects their activity as an obstacle for emerging entrepreneurs. Also, the perception of social obstacles creates the fear of failure, which in turn has a negative effect on evaluating and exploiting opportunities [17].

### 3. Data and Methodology

The current research is applied in terms of purpose and descriptive-survey in terms of method. In this research, the dimensions and components of the conceptual model were explained using exploratory interviews, background and literature review, and then the research model was tested using a researcher-made questionnaire and structural equations (quantitative method). Structural equations and Smart PLS software are used to analyze the questionnaire. In this way, partial least squares (PLS) technique, which is a path analysis modeling technique, was used to test the conceptual model of the research. This technique makes it possible to examine the relationships of hidden variables and measures (observable variables) at the same time. This method is a suitable tool for analyzing studies in which the relationships between variables are complex, the sample size is small, and the data distribution is uncertain or abnormal. Structural equation modeling consists of two parts: measurement model and structural model. The variables of the model are classified into two categories: hidden and obvious. The section of the measurement model includes questions, which are the indicators of each dimension along with each dimension, and the relationships between questions and dimensions are analyzed in this section. The structural model section also contains all the structures mentioned in the main research model. The degree of correlation and relationships between all the research constructs is evaluated at this stage. The statistical population of the research is the number of active population of 10 years and older in Khalilabad neighborhood, which are 4911 people. Cochran's calculation formula is also used to determine the statistical sample size.

$$n = \frac{Z^2 pq / d^2}{1 + \frac{1}{N} (Z^2 pq / d^2 - 1)}$$

In the current study, based on the size of the statistical population, the number of statistical samples was calculated to be 356 people. The researcher-made questionnaire is a tool for collecting information in the three sections of entrepreneurship, social innovation and empowerment using a five-choice Likert scale. The content validity and face validity of the questionnaire were checked by 10 experts, including relevant specialists and experts, and after their desired adjustments, the validity of the questionnaire was confirmed.

**Table 1-** Operational dimensions of variables

<b>Dimensions</b>	<b>Indicator</b>	<b>operational definition</b>
Empowerment	T1	The amount of information resources used
	T2	Responsibility and commitment
	T3	Share information and provide feedback
	T4	Specialized skills and knowledge
Social innovation	M1	Desire for social participation
	M2	Ability to turn ideas into products
	M3	Having a creative education system
	M4	Policies and support programs
Cultural-social factors	SO1	Society's lack of belief in the ability of people in informal settlements
	SO2	risk taking
	SO3	Prediction and foresight
	SO4	Trust in partners and members
	SO5	The existence of teamwork spirit
	SO6	Ability to divide tasks between people
Management factors	MA1	The level of literacy and education of people
	MA2	Involving people in decision making
	MA3	The existence of specialized classes related to entrepreneurship
	MA4	Having sufficient management in creating new businesses
	MA5	Management of technical knowledge and expertise skills among people
Technical factors	F1	Access to new technologies
	F2	Access to experts and technical advisors
	F3	Skill in using tools and new technology
	F4	Access to production inputs such as land or specialized labor
	F5	Lack of technical knowledge and specialized skills
Economic factors	ECO1	Granting government facilities, credits and loans to entrepreneurs
	ECO2	Ease of access to raw materials
	ECO3	Existence of local market or market capacity to diversify economic activity
	ECO4	Financial and technical support of the government for SME
	ECO5	Competitiveness in business



## The Scope of the Research Study

In this research, the study area is the marginal neighborhood of Khalil Abad, Tabriz city. This neighborhood with 23 thousand 956 people is one of the slum areas of Tabriz metropolis, of which 4911 people are 10 years old and older active in the neighborhood. The details of Khalilabad neighborhood are as follows:

**Table 2-** Characteristics of the target area of the neighborhood and the scientific area under study

Name of neighborhood	target area		neighborhood of operational area	
	Area (hectares)	Population	Area (hectares)	Population
Khalilabad	61.5	23956	53.5	21373

The location of the neighborhood and the operating range of Khalilabad neighborhood are as follows.



**Map 1-** Operational area of Khalilabad neighborhood

## 4. Results and discussion

### Internal Consistency of Measurement Models

In order to check the internal consistency of the measurement models, the composite reliability index (CR) is used. In table (3), this index is shown for all research variables in the three studied groups. Values above 0.7 indicate the internal consistency of measurement models. The value of this index for all research variables is above 0.7. Cronbach's alpha is also used to measure the coherence or internal consistency of the observable variables of each hidden variable. The acceptable value for this index is 0.7 and above. The value of Cronbach's alpha for all variables is 0.7 or higher. Also, average variance extracted (AVE) is used to check the correlation of a structure with its indicators. In fact, AVE shows that the higher the correlation, the better the fit. Fornell and Larcker believe that convergent validity exists when AVE is greater than 0.5.

**Table 3-** Fit goodness indicators

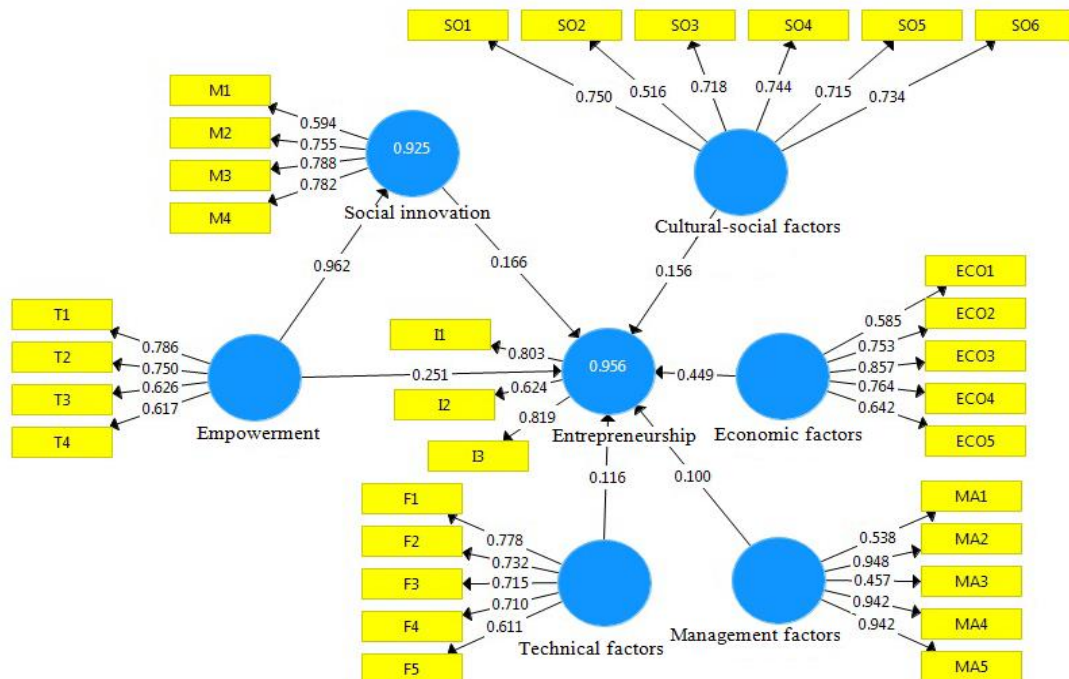
Variable	CR	AVE	Cronbach's alpha
Empowerment	0.79	0.851	0.851
Social innovation	0.822	0.539	0.713
Entrepreneurship	0.796	0.568	0.796
Economic factors	0.846	0.528	0.772
Cultural-social factors	0.851	0.851	0.793
Technical factors	0.836	0.506	0.767
Management factors	0.889	0.634	0.837

### Goodness of Fit

To check the goodness of fit of the model, the GOF criterion has been used. According to the results, the GOF criterion for research variables is 0.77. Considering that three values of 0.19, 0.33 and 0.67 have been introduced as weak, medium and strong values for GOF, obtaining the above value for the studied variables indicates a strong overall fit of the model. Also, the obtained values of 0.956 and 0.925 for the coefficient of determination index (R<sup>2</sup>) indicate a strong overall fit of the model.

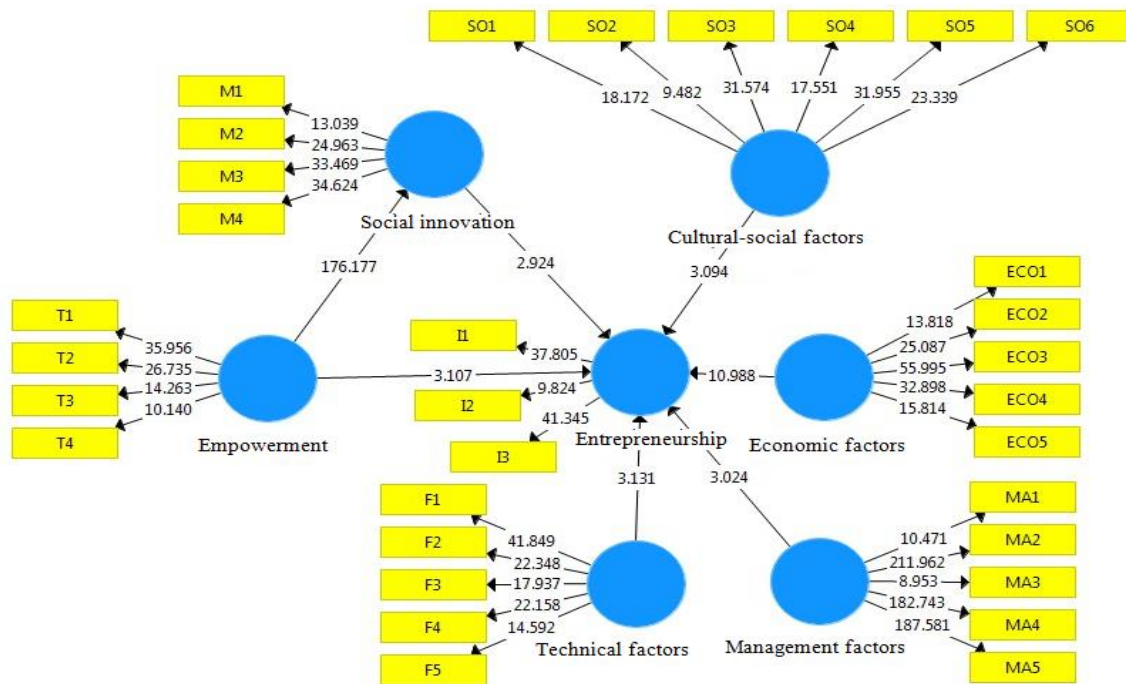
### Path Coefficients and Significance of Variables

In this section, research hypotheses are examined. The chart below shows the values of the path coefficients. In this method, the regression standard beta coefficient is used to determine the direction and intensity of the relationships between the variables. The goal of path analysis is to obtain quantitative estimates of the main relationships (one-way interaction or covariate) between a set of variables. Path coefficients are the same as standardized regression coefficients. Therefore, simple linear regression should be used for path analysis.

**Fig 1.** Path coefficients graph



The t-values are also shown in the graph below. If the significance coefficient of the path between two independent and dependent variables is greater than 1.96, the influence of the independent variable on the dependent variable is significant and leads to the confirmation of the hypothesis. The research findings show that there is a positive and significant relationship between the research variables.



**Fig 2.** T-values graph

As can be seen in the graph of path coefficients, in the study of the effect of empowerment on social innovation, the path coefficient is estimated at 0.962. The effect of empowerment on entrepreneurship is estimated with a path coefficient of 0.251. The effect of social innovation on entrepreneurship is also estimated with a path coefficient of 0.166. Considering that the variables have a significance level of 0.05 with a t statistic value higher than 1.96, it can be concluded that these path coefficients are significant at the error level of 0.05; in the sense that the relationships between the variables are significant with a probability of 95%. Moreover, due to the positive ness of the coefficients of this relationship, the aforementioned effects are positive. One of the most essential pillars of the development of informal settlements in the direction of job creation is the strengthening of entrepreneurship. One of the important aspects in strengthening entrepreneurship is empowerment. By improving the knowledge, attitude and skills of people living in informal settlements, and in other words empowering people, efforts can be made to strengthen entrepreneurship in informal settlements. Empowerment provides the platform to transform physical labor into intellectual. Meanwhile, the increasing need of societies is to use creative and innovative people to accelerate the process of entrepreneurship development through new ideas and turning these ideas into profitable activities. Also, according to theoretical expectations, various factors also affect entrepreneurship. As can be seen, economic, socio-cultural, managerial and technical factors are also influential factors on entrepreneurship. In the current research, the effect of economic factors on entrepreneurship is estimated with a path coefficient of 0.449. The effect of socio-cultural factors on entrepreneurship is estimated with a path coefficient of 0.156 and the effect of technical factors on entrepreneurship is estimated with

a path coefficient of 0.116. Management factors on entrepreneurship also have a path coefficient of 0.10. Economic factors were identified in the form of 5 items, which are: having collateral and guarantor for using government credits, sufficient ability to follow up banking affairs, existence of local market or market capacity to diversify economic activity, having financial support and sufficient savings and ability Competition in business and economy. Among the mentioned factors, the existence of the local market or market capacity for diversification of economic activity in the field of entrepreneurship is of great importance. Social factors were identified in the form of 6 items, which are: society's lack of belief in the ability of people living in informal settlements in innovation and entrepreneurship, the existence of a guild or non-governmental organization supporting entrepreneurship, foresight and risk-taking, low self-confidence to start businesses, the existence The spirit of teamwork and group work and the ability to divide tasks between people. Among the mentioned factors, society's disbelief in the ability of people living in informal settlements in terms of innovation and entrepreneurship is of great importance. Also, in the analysis of the findings, technical factors can be divided into 5 items, including access to new technologies, access to experts and technical consultants, skill in the use of tools and new technology, access to production inputs such as land or specialized labor, and lack of technical knowledge and The skill of specialization was divided. According to the obtained path coefficients, the factor of access to new technologies is of great importance. Finally, management factors include 5 items, which include the level of literacy and education of people, participation of people in decision-making, the existence of specialized classes related to entrepreneurship, having sufficient management in creating new businesses, and managing technical knowledge and expertise among people. Among the mentioned factors, the participation of people in decision-making is of great importance.

## 5. Concluding remarks

As can be seen, empowerment has a positive and significant effect on social innovation with a path coefficient of 0.962. Actions taken in informal settlements in order to empower people by developing their abilities, knowledge and skills provide a platform for the production of innovative ideas. Actions taken to empower people can help them achieve their goals. The amount of use of information resources, responsibility and commitment, sharing information and providing feedback and specialized skills and knowledge of people are among the factors affecting empowerment. Empowerment is an exchange and self-enhancing process that can increase the achievement of development goals and more specifically the innovation of people. In the turbulent economic environment, innovation is the strategy of acquiring new opportunities and protecting knowledge and information. Innovation plays a key role in providing unique products and services through creating added value. However, innovation is expensive and risky because along with positive results on performance, sometimes negative results may follow. Such as rapid changes, increased costs, dissatisfaction and sudden changes. Research has shown that strong social capital will be able to quickly access a diverse set of information in order to create innovative performance. This capital is considered as a kind of tangible asset, and among these, the most successful are those who use this intangible asset optimally and as quickly as possible. Social capital is an important and vital element that plays a decisive role in innovative performance. Innovative performance is not an advertising slogan, but a necessity for survival and growth. To realize it, it is necessary to plan and equip resources, especially human resources, through empowerment. Empowerment helps people gain the ability to make independent decisions. This process is effective not only in people's performance, but also in their personality and as a result their creative and innovative functions.

Also, social innovation has a positive and significant effect on entrepreneurship with a path coefficient of 0.166. The purpose of social innovations is to create value for society. Entrepreneurship means recognizing opportunities and using resources to create a new and profitable business. Entrepreneurs, with their skill in identifying situations and creating movement towards the development of these situations, are considered the real pioneers of change in the economy and social developments. The existence of innovation in entrepreneurship is so necessary that it can be claimed that an entrepreneur does not exist without it, and creativity does not achieve results without innovation. Therefore, creativity and innovation are vital for the growth of businesses and entrepreneurship. It should be noted that knowledge and awareness are the engine driving creativity and innovation. When there is motivation for creativity and innovative activities, people, in addition to seeking to use their capacities and individual characteristics, always seek to develop their abilities and are encouraged to generate ideas and entrepreneurial activities. On the other hand, fundamental changes are necessary in the process of responding to the expectations, needs and demands of customers; because in today's digital and changing world, these things have undergone a lot of transformation. For this purpose, in today's competitive world, organizations should continuously innovate in business in order to earn money and deal with the risk of being removed from the market. Innovation in business models and entrepreneurship leads to a reduction in the cost of producing a product or service, and leads to the provision of a new product and/or a new production process, which ultimately results in performance and creates a new competitive advantage over other competitors. . Therefore, innovation is considered as a capability due to the creation of a new ability to create value, which is defined as a transformative ability between goals and resources. Business innovation helps to improve financial performance by creating and promoting change innovation in competition and ultimately leads to profitability.

Finally, the results indicate that empowerment has a positive and significant effect on entrepreneurship with a path coefficient of 0.251. Entrepreneurship in informal settlements requires making changes and looking for new opportunities resulting from these changes by cultivating human capital, as well as identifying and combining innovative resources and exploiting competitive advantages. Cultivating entrepreneurial people and developing entrepreneurship requires creating a suitable platform and promoting entrepreneurial spirit. Human resources with individual and specialized skills are considered as one of the most important competitive advantages of companies and even countries. Among these, one of the effective components on entrepreneurship is the capability of human resources. Improving individual capabilities and capabilities increases the amount of effort and leads to optimal results. Since human beings along with their abilities are the main factor of empowerment, therefore it is possible to have a significant impact on the growth of entrepreneurship through empowering people. Empowerment is a process during which people progress to overcome obstacles and perform activities that make them master in doing things. Also, identifying new opportunities for higher performance and acting more actively than competitors is one of the factors influencing success because opportunities form the central point of entrepreneurial activities. Therefore, in order for people to have the characteristics that can discover the opportunities that have arisen, there should be more focus on people so that they can benefit from human capital in order to achieve recognition of higher entrepreneurial opportunities and also create a sustainable competitive advantage over other competitors. In line with the results of the research, the following suggestions are presented: In order to increase the empowerment of people, it is suggested to pay attention to the development of people's skills and specialized knowledge. This requires that targeted and continuous training programs that are appropriate to job needs replace irrelevant and formal training courses. In addition, by creating an environment that encourages innovation and by delegating authority to people according to their

abilities, it is possible to provide the freedom of action and the field for the flourishing of people and their responsibility. Therefore, training and developing the skills and knowledge of people and providing the necessary platform to actualize the potential abilities of people are among the measures that can play an important role in improving their performance by developing the capabilities of people in informal settlements. It is also suggested to provide people with training on how to recognize entrepreneurial opportunities so that they are excited about the environment and its potential capacities. Social innovation as a strategic phenomenon requires strategic attention and care. Therefore, it is suggested to consider this importance in the setting of policies and policies according to the levels of governance, management, etc. Also, entrepreneurs can provide the possibility of using innovative ideas in doing work and strengthen the ability to transform ideas into products by creating an atmosphere in line with the education and training of creativity in people. In the meantime, decision-makers and decision-makers, managers and officials at different levels, and finally entrepreneurs, should raise their issues and issues in the form of crowdsourcing and open innovation, from different platforms to receive creative ideas and share experiences and lessons learned by paying the lowest cost to use It is suggested that, with the aim of creating and developing suitable platforms for entrepreneurship in informal settlements, by granting cooperative loans and facilities, it will provide people with the opportunity to do productive and job-creating work. Also, the availability of primary raw materials, the existence of the local market or the market capacity to diversify economic activity, the financial and technical support of the government for small businesses and entrepreneurs, etc. should be taken into consideration. It is also recommended that in relation to starting businesses, in addition to paying attention to economic factors, other effective personal and social factors, such as creating and strengthening the creative spirit and entrepreneurial motivation, as well as raising their level of awareness in the field of requirements and preparations for entering the entrepreneurial process, is also recommended.

## References

- [1] Ahn, S., K.-S. Kim, and K.-H. Lee. (2022). Technological Capabilities, Entrepreneurship and Innovation of Technology-Based Start-Ups: The Resource-Based View. *Journal of Open Innovation: Technology, Market, and Complexity*, 8(3), 156. <https://doi.org/10.3390/joitmc8030156>
- [2] Niazkar, F. and N. Arab Moghaddam. (2009). Women entrepreneurs in universities regarding the obstacles to the development of women's entrepreneurship. *Women's Research Quarterly*, 1(1), 5-25.
- [3] Hosseinbor, M.O., B. Roustakhiz, and S. Ahar. (2022). Utilizing Models of Innovation and Social Entrepreneurship in Women's Empowerment, Case study: India. *Journal of Social Continuity and Change (JSCC)*, 1(1), 23-42. <https://doi.org/10.22034/jssc.2022.2706>
- [4] Abbasi, Z., S. Amanpour, and M. Safaei Pour. (2019). Strategic planning in empowerment of informal settlements Case study: Payam - e- Noor Dezful Township. *Sustainable city*, 1(4), 89-107. <https://doi.org/10.22034/jsc.2019.91136>
- [5] Franco, M. (2020). Entrepreneurship, Competitiveness and Innovation. *Sustainability*, 12(16), 6576. <https://doi.org/10.3390/su12166576>
- [6] Zhang, J., B. Yu, and C. Lu. (2023). Exploring the Effects of Innovation Ecosystem Models on Innovative Performances of Start-Ups: The Contingent Role of Open Innovation. *Entrepreneurship Research Journal*, 13(4), 1139-1168. <https://doi.org/doi:10.1515/erj-2020-0529>
- [7] Audretsch, B.D. and M. Belitski. (2023). The limits to open innovation and its impact on innovation performance. *Technovation*, 119, 102519. <https://doi.org/https://doi.org/10.1016/j.technovation.2022.102519>

- [8] Pakura, S. (2020). Open innovation as a driver for new organisations: a qualitative analysis of green-tech start-ups. *International Journal of Entrepreneurial Venturing*, 12(1), 109-142. <https://doi.org/10.1504/IJEV.2020.105135>
- [9] Keshtkar, M. (2018). Identifying the dimensions and components of social innovation in Iran. *Innovation Management in Defensive Organizations*, 1(1), 1-24. [https://www.gjimdo.ir/article\\_81707\\_c5bf6680bb8f94ca25128c64559abc79.pdf](https://www.gjimdo.ir/article_81707_c5bf6680bb8f94ca25128c64559abc79.pdf)
- [10] Hashempour, R., M. Seyfaei, and N. Salehi. (2022). Social empowerment in informal urban settlements based on assets. *Journal of Engineering & Construction Management*, 7(1), 66-74. [https://www.jecm.ir/article\\_156404\\_3e8317c085ba874f32cdf2563c4e67ce.pdf](https://www.jecm.ir/article_156404_3e8317c085ba874f32cdf2563c4e67ce.pdf)
- [11] Bargi, S. (2020). Investigating the Impact of Empowerment Programs in Suburbs on increasing social participation (Case Study: Pakdasht County). *Geography and Human Relationships*, 3(2), 172-191. [https://www.gahr.ir/article\\_117883\\_f872ca5e42d37386733440a02b5e08b6.pdf](https://www.gahr.ir/article_117883_f872ca5e42d37386733440a02b5e08b6.pdf)
- [12] Aramesh, H., A. Ras, and S. Keshavarz. (2021). The effectiveness of social entrepreneurship in empowering rural women Case: Suburban area of Chabahr [Research]. *SPACE ECONOMY & RURAL DEVELOPMENT*, 9(34), 41-62. <http://serd.khu.ac.ir/article-1-3621-en.html>
- [13] Golkar Fard, M. and k. Rezaei-Moghaddam. (2019). Relationship Between Entrepreneurship and Empowerment Dimensions of Rural Women in Fars Province [Research]. *Journal of Entrepreneurial Strategies in Agriculture*, 6(11), 1-10. <https://doi.org/10.29252/jea.6.11.1>
- [14] Sanghamitra, C., G. Rajashi, and A. Yogita. (2020). Exploring the Risky Terrain of Entrepreneurship With Support From Developmental Relationships: Narratives From Indian Women Entrepreneurs. *Advances in Developing Human Resources*, 22(2), 137-149. <https://doi.org/10.1177/1523422320907044>
- [15] Tsvetkova, D., E. Bengtsson, and S. Durst. (2020). Maintaining Sustainable Practices in SMEs: Insights from Sweden. *Sustainability*, 12(24).
- [16] Sinharoy, S.S., R. Pittluck, and T. Clasen. (2019). Review of drivers and barriers of water and sanitation policies for urban informal settlements in low-income and middle-income countries. *Utilities Policy*, 60, 100957. <https://doi.org/https://doi.org/10.1016/j.jup.2019.100957>
- [17] Kollmann, T., C. Stöckmann, and J.M. Kensbock. (2017). Fear of failure as a mediator of the relationship between obstacles and nascent entrepreneurial activity—An experimental approach. *Journal of Business Venturing*, 32(3), 280-301. <https://doi.org/https://doi.org/10.1016/j.jbusvent.2017.02.002>



*International Journal of Innovation in Management Economics and Social science (IJIMES)*

IJIMES is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/)