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The impact of bank financing requirements on the advancement of social entrepreneurship, an analytical study of Al-Tayf Islamic Bank.

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Abstract : Social entrepreneurship can be promoted by providing bank loans to investors after determining financing requirements. This study was conducted at Al-Taif Islamic Bank for the year 2024, and the research sample consisted of data from the period (1993-2023). The study assumed that banking financing requirements as an independent variable affect the dependent variable of social entrepreneurship and enhance its promotion. The study also assumed that banking financing requirements affect the dimensions of social entrepreneurship (number of beneficiaries, bank revenues, and cost per beneficiary). To prove this, simple and multiple regression coefficients were used, and the validity of the research hypotheses was verified. The results showed that banking financing requirements are inversely related to the number of beneficiaries and the volume of revenues, meaning that the bank's need for funds would reduce the number of beneficiaries of its services and also reduce its revenues. They are directly related to the cost of each beneficiary, so the more the bank needs funds, the higher the cost to beneficiaries of bank services. The results also showed that banking financing requirements affect social entrepreneurship and its dimensions (number of beneficiaries, bank revenues, cost per beneficiary). The study provided a set of targeted recommendations, including that financing plays a major role in the success of social projects.

Keywords: Banking financing requirements, financing gap, social entrepreneurship

Introduction: Banking finance is considered the most important driver for small and medium-sized institutions, and it is a major concern that the state seeks to provide continuously in order to reconcile the requirements of banks and the needs of institutions. Since social entrepreneurship has become a fundamental feature of the modern economy, it is rare to find an environment or economy that lacks an active contribution of entrepreneurship in local economic development. In light of these challenges, many countries have established financial institutions that are compatible with the nature of these projects, known as private financing institutions, which attach great importance to financing social entrepreneurial projects due to their contribution to the economy. Therefore, we will try to highlight the role played by banking financing requirements in promoting social entrepreneurship, as the basis of banks' work is to provide the necessary requirements to support projects with social entrepreneurship. This is extremely important for the continuation of projects that suffer from a lack of necessary financing to support them, due to various factors and circumstances. The research includes a set of previous studies to benefit from them and define the theoretical concepts of financing requirements and social entrepreneurship, and what type of relationship exists between them. To find out, the research relied on some indicators to measure financing requirements.

First Section: Research Methodology and Previous Studies

Firstly: Research Problem:

There is no clear approach in the policy of some banks to support social entrepreneurship due to poor management of financing policies and not directing them correctly. As the financing requirements increase, a gap in financing appears, and the bank itself needs more funds and is unable to finance social entrepreneurial projects, leading to weak growth and difficulties faced by entrepreneurs in obtaining various loans to finance their projects. Therefore, the research tries to answer several questions:

1. Do banking financing requirements help increase social entrepreneurship؟
2. .Is social entrepreneurship closely linked to the work of banks؟
3. .Do banks study and analyze social entrepreneurship؟
4. Is there a direct impact between banking financing requirements and social entrepreneurship؟

Secondly: Research Objectives:

The main objective of the research is to identify the concept of social entrepreneurial projects, in addition to addressing the mechanisms through which this type of project is financed and demonstrating the impact of banking financing requirements on social entrepreneurship, with a focus on the role of financing institutions that contribute effectively to the success of these projects. This includes determining the nature and type of relationship between banking financing requirements and social entrepreneurship and identifying the level of application of financing policies that are compatible with promoting social entrepreneurial projects.

Thirdly: Research Importance:

The importance of the research can be summarized in social entrepreneurship and its role in economic and social development in general, and in increasing production and creating more new job opportunities, and its contribution to the spread of new projects and creating direct gains achieved by the project owner and indirect gains achieved in the local economy as a whole. The importance of the research is also represented in the fact that banking financing requirements contribute to encouraging social entrepreneurship, in addition to:

1. The importance of stating the reasons for the weakness of banking financing for social entrepreneurial projects.
2. This research is interested in highlighting the role that social entrepreneurship can play in achieving economic growth.

Fourthly: Research Hypotheses:

The main hypotheses of the research are as follows:

1. There is a correlation between the independent variable (banking financing requirements) and the dependent variable (social entrepreneurship).
2. There is an impact of the independent variable (banking financing requirements) on the dependent variable (social entrepreneurship).
3. There is a relationship between banking financing requirements and the number of beneficiaries.
4. There is a relationship between banking financing requirements and bank revenues.
5. There is a relationship between banking financing requirements and the cost of beneficiaries.

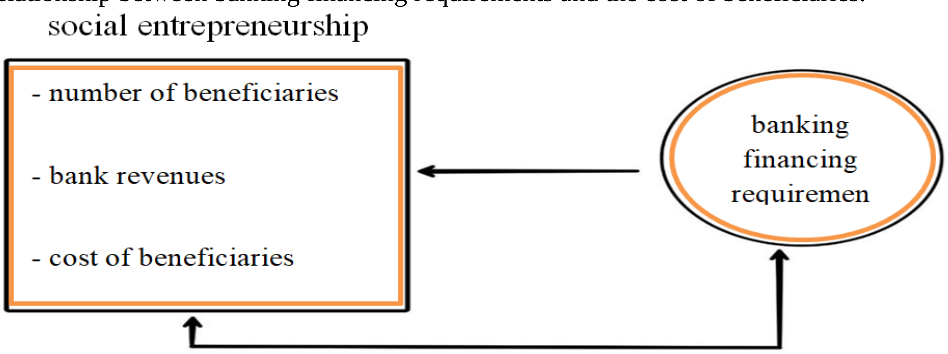

Figure (1) The Hypothetical Model

Fifthly: Research Community and Sample:

The research community is represented in Al-Taif Islamic Bank, which has annual revenues ranging from 5.23% to 6% of its owned capital. The bank is a private bank founded in 2018 with a capital of 100 billion dinars. The research sample is represented by a set of bank data during the period from 1993 to 2023. The data was analyzed to determine its normal distribution according to statistical measures. A set of indicators related to the research topic was also adopted, which were detailed in the theoretical side to measure banking financing requirements, financing gap, and social entrepreneurship as follows:

1. Financing gap = Loan rate - Deposit rate.
2. .Financing gap = Liquid assets + Borrowed funds.
3. Financing requirements = Financing gap + Liquid assets of the bank.
4. Number of beneficiaries reached: This measure assesses the number of individuals or communities that directly benefited from the social organization.
5. Revenue or sales generated: A useful measure to understand the financial sustainability of the social organization and evaluate its ability to expand.
6. Cost per beneficiary: This measure calculates the cost of providing the organization's social impact to each beneficiary.

Sixthly: Previous Studies:

1- **A study by Abdulrahman (2019)** titled "The Role of Private Financing in Financing Entrepreneurial Projects" aimed to highlight the role played by private financing institutions in financing projects based on the experience of the Khalifa Fund in the United Arab Emirates. The study used an analytical approach by analyzing the fund's status and its contribution to financing entrepreneurial projects from 2007 to 2016. The study found that the fund contributes effectively to financing entrepreneurial projects, with over 1,000 loans granted in various formats during its activity period. Based on the findings, the study recommended increasing the types of loans granted and paying attention to all sectors.

2- **A study by Shaker (2017)** titled "Measuring Banking Financing Requirements and Their Role in Improving the Market Value of the Bank" was conducted on a sample of banks listed on the Iraq Stock Exchange for the period 2005-2017. The study aimed to determine the importance of measuring banking financing requirements as one of the methods for measuring liquidity risk by determining the financing gap for banks. The study adopted a set of financial reports and statements published by a group of banks listed on the Iraq Stock Exchange, which were selected based on the availability of data for the study period 2005-2017. The study sample included 9 banks. The study found a relationship between banking financing requirements and the market value of the bank, and the need for bank management to pay attention to the relationship between financing requirements and the market value of the bank by measuring financing requirements and determining the bank's needs for funds.

3- **A study by Al-Zahraa (2021)** titled "Business Plan and Achieving Social Entrepreneurship" attempted to highlight the business plan as a tool that enables achieving social entrepreneurship. The study collected data from 31 projects in Adrar province. The study results showed that 13 projects rely on the business plan, while 18 projects do not. The study concluded that the business plan plays a role in managing projects and exploiting available opportunities in the market.

Second Section: Theoretical Framework of the Research

First Requirement: Banking Financing Requirements

First: The Concept of Banking Financing Requirements: Financing is considered the main activity upon which investment in companies and institutions is based. It is reflected in how to obtain financial resources from internal and external sources and distribute them to different uses. From an economic standpoint, it is the management of funds in the project (Hassan, 2013: 9), or it is the sum of actions and transactions that provide us with means of payment whenever there is a need for them, and this financing can be short-term, medium-term, or long-term (Khattatiyah, 2018: 6). Some also went to the idea that financing is the provision of assets at times when they are needed. Financing has also been defined as providing something of financial value from one person to another, either as a donation or cooperation between the two parties with the aim of investing it and obtaining profits to be divided between them according to a pre-agreed ratio, based on the nature of each party's work and their contribution to the capital and managerial and investment decision-making.

Researchers agree that financing means "providing the necessary cash amounts to fund the development of a public or private project," or it is a process of gathering financial amounts and putting them at the organization's disposal permanently and continuously by shareholders or owners. However, considering financing as obtaining funds and using them for operation or project development represents the traditional theory of the financial function to determine the best source of obtaining funds from several available sources. For the definition to be in line with modern theory, it must include all decisions made by financial management to make the use of funds economical, including alternative uses and studying the cost of available sources, and viewing financial issues as not separate from other business activities in the project such as production and marketing.

As for the banking financing requirements, it is defined as "searching for appropriate methods to obtain funds, choosing and evaluating those methods, and obtaining the best mix between them in a way that suits the quantity and quality of the bank's needs and obligations." Or it is a science or system for handling financial issues in the bank, managing funds and loans, and organizing their administration (Rahma, 2006: 23). It also means managing funds and ensuring the availability of cash in the bank's vaults, meaning providing sources of funds and obtaining funds to cover the bank's cash reserves and ensuring compliance with the bank's obligations due to others. Or it is obtaining funds and then managing them (Rahma, 2006: 24), which means searching for how to obtain money and use it in the best possible way. Or it means providing the investor with the necessary funds to carry out the investment, meaning providing investors who have ready projects but lack the necessary capital to implement them, so they are financed with all the necessary requirements. Also, securing the necessary financing from various sources in the form of cash values or tangible values with a cash value and using them in forming material values and maintaining their continuity within the bank (Rahma, 2006: 22). Meaning providing the necessary funds, whether in cash or in the form of fixed or current assets that can be converted into liquidity quickly, and using this money in preparing the financial position of the establishments and continuing its financial nourishment. Or all the contractual obligations that the bank undertakes, which would change and increase the assets or cash existing in the bank, as well as change in the owning class, and these obligations appear in the bank's balance sheet.

Second. Risks of Banking Financing Requirements: Financial institutions, particularly banks, are considered business organizations and through their various activities in accepting deposits, granting loans, and financial investments, they are exposed to various types of financial risks through the use of their funds in these activities. Therefore, the success of the bank's management in its work and its ability to strike a proper balance between return and risk are crucial. Accordingly, prudent bank managements can balance the objective of profitability and the requirements of liquidity and safety, where the owners of capital or shareholders push towards achieving the highest returns, while depositors want the bank to have high liquidity requirements to ensure they can withdraw their money whenever they want. To understand the term risk, it was defined in Webster's dictionary as danger or risk, or exposure to loss or harm, and thus risks refer to the opportunity or occurrence of an unpleasant event**.**

Risks in the Financial Concept, As for risks in the financial concept, they refer to the fluctuation of returns and their instability, or fluctuations in the bank's market value (Weston, et al, 1996: 182). Therefore, we can say that risks refer to the uncertainty regarding future cash flows, where every bank prefers certain cash flows over uncertain cash flows. Therefore, banks should put this before the eyes of their boards of directors to formulate and design a long-term strategy to address such risks in their various forms. It is also necessary to identify, measure, monitor, and control risks and mitigation procedures, reporting on them, and controlling them. These procedures require the application of appropriate strategies, ceilings, procedures, information systems, and effective and prudent management for decision-making and preparing internal reports and data on risks in a manner that is consistent with the scope, extent, and nature of banking activities (Zheng et al, 2015).

Liquidity risks are one of the most important risks that banks face, and they mean the inability to obtain funds when needed. They arise when the bank faces a problem of insufficient cash to meet its short-term obligations, such as deposit withdrawals and loan demand. Banks should ensure sufficient liquidity to meet depositors' withdrawals and borrowers' needs in a timely manner, without being forced to sell securities at significant losses or borrow at high interest rates.

The adequacy of cash and near-cash reserves, especially the secondary reserve represented in securities that can be easily sold with minimal losses, is one of the most important determinants of a bank's ability to meet its obligations. Liquidity risks highlight the relationship between the bank's liquidity requirements to meet depositors' withdrawals and seize suitable opportunities to grant loans and other credit facilities, compared to the actual sources or bank management's reality and practical applications.

The bank also faces **credit risks,** as granting credit is one of the basic activities in most banks, which exposes the bank to many risks (Hanafi, 2002: 171). It is linked to the customer and fulfilling their obligations on time. The customer's (debtor's) failure to fulfill their obligations towards the bank on time may be due to their inability to pay or their unwillingness to pay, resulting in a loss. Credit risks can take the form of settlement or payment risks that arise when one party to the transaction is required to pay cash or deliver assets before receiving the corresponding assets or cash, exposing them to potential loss. In the case of profit-sharing formulas, credit risks come in the form of the partner failing to pay the bank's share when due. This problem may arise due to information asymmetry when banks lack sufficient information about the borrower (Habib Ahmad, 2003: 65).

Third. Indicators of Banking Financing Requirements: One of the methods for measuring banking financing requirements is to determine the funding gap in banks. Most depositors who deposit their funds in banks in demand deposits can withdraw their money quickly, but they do not do so under normal circumstances. It is natural for most demand deposits to remain in the bank for a long time, often two years or more. Demand deposits are a primary source of funds in banks, through which the bank can finance loans over time. Therefore, the funding gap, which is the difference between the loan rate and the deposit rate, is determined (Saunders & Cornett, 2012: 635). It is calculated according to the following equation**:**

Funding Gap = Loan Rate - Deposit Rate 1

The greater the funding gap, i.e., the loan rate is greater than the deposit rate, the more the bank is exposed to liquidity risk, unless the liquid assets are able to adjust the gap. Liquid assets consist of cash, received balances, and investments in securities (Tis, 2018: 14). Banks prefer to attract funds through core deposits because they are stable and fixed deposits, meaning there is a small probability of withdrawing these deposits among customers when interest rates on other financial investments rise, i.e., they have low financial elasticity when interest rates on other financial investments rise. Core deposits include demand deposit accounts, savings deposit accounts, money market deposit accounts, and small certificates of deposit. If the funding gap is positive, the bank must find the necessary liquidity to fund this gap, and this liquidity can be either by borrowing funds or by liquidating assets, and it can be calculated according to the following equation (Saunders & Cornett, 2008: 503):

Funding Gap = Liquid Assets + Borrowing Funds 2

However, increased borrowing has an impact on increasing liquidity risk, as banks that possess liquid assets are less risky. Liquid assets exposed to risk must reduce liquidity risks in addition to relying on external financing to address liquidity problems and diversifying their funding sources to limit liquidity risks. An increase in the funding gap leads to a loss of balance in the bank's funds, as well as a decrease in the value of funds. Therefore, the bank must use liquid assets or increase external funding to meet the demand for funds, which leads to an increase in funding costs, affecting the bank's profitability (Shen et al., 2009: 5) Funding requirements refer to the funding gap plus the bank's liquid assets, and can be calculated according to the following equation:

Funding Requirements = Funding Gap + Bank's Liquid Assets 3

The level of core deposits and loans in banks, as well as the size of liquid assets, determines the borrowing needs. Many banks retain liquidity and cash assets to meet daily demands for deposits or loans. The greater the funding gap, the more funds banks need to borrow in the markets, exposing them to liquidity risks. An increasing funding gap also warns of future liquidity problems as it indicates increased deposit withdrawals and loan growth due to increased loan utilization (Saunders & Cornett, 2021: 572).

Increased reliance on loans may cause lenders in the money market to feel concerned about the bank's creditworthiness. Managers may react by imposing risk premiums on borrowed funds or setting credit limits on borrowed funds if banks exceed funding requirements. These credit limits may be high, putting them in financial distress (Saunders & Cornett, 2009: 596)

The second requirement. Social Entrepreneurship

First. The Concept of Social Entrepreneurship: Entrepreneurship is defined in the Raed dictionary as "Raada" and "Riada", meaning to seek or explore something. A leader is someone who has the ability to take risks by buying goods or part of them at a certain price and selling them to make a profit, whether the goods are new or old. An entrepreneurial organization must have three basic characteristics (Caruang, 2000: 51):

1. Entrepreneurial individuals without whom there would be no innovation.
2. Organization linked to vision, trust, idealism, creativity, and hedging against failure.
3. Environment linked to diversity in markets

Entrepreneurship is the main act that emphasizes creativity, productivity, work, and growth (Hitt & Jones, 2000: 85). Schumpeter provided a new dimension to the concept of entrepreneurship, considering the entrepreneur as the cornerstone of economic development. He focused on the enthusiasm of the entrepreneur for innovation and development, which creates a revolution and change, and considered the entrepreneurial spirit as a force of Creative Destruction. The entrepreneur makes new combinations that help make old industries obsolete and destroys established ways of doing business by introducing new and better ways. Profit is not the only motivator that generates entrepreneurial spirit. He emphasized that an entrepreneur builds their personality and then their behavior on four basic pillars, which are:

1. Great reliance on oneself and the best use of their characteristics.
2. Striving for excellence and then uniqueness and achievement.
3. Excessive optimism and ambition to achieve a specific goal with care and after study.
4. A continuous tendency to prefer moderate risk challenges that cannot be classified as too easy but are not destructive either.

As for **social entrepreneurship**, it is about undertaking unique activities to meet the needs of businesses and customers by discovering opportunities and exploiting them with a proactive mindset and adopting calculated risk-taking to achieve profits. Social entrepreneurship is also defined as a set of entrepreneurial activities in their general concept that includes a social purpose. Social entrepreneurs are defined as creative individuals who have a commitment to society and the ability to find solutions to social problems that are characterized by vision and realism so that they can be applied in the form of projects. It is also defined as an activity with social value that has an innovative feature and aims to create environmental change by solving a social problem, and helps to create opportunities and face social risks, in addition to what it can achieve in terms of economic returns. Social service in the field of social entrepreneurship is defined as building entrepreneurial projects using entrepreneurial thinking that is guided and led by the ethics and values of the social service profession and based on the interaction between social services (Al-Kaabi: 2007, 47).

Social entrepreneurship revolves around identifying social problems and achieving tangible social change by creating new and innovative solutions to these problems through the application of entrepreneurship principles. It involves conducting research on the ground to find any specific social problem and then organizing, establishing, and managing a social project to achieve the desired change. This change may include completely eliminating a social problem or at least mitigating its severity and impact on society. The social change project may be temporary or may last a lifetime, aiming to improve the living conditions of society members permanently (Khudra, 2022), as shown in

Figure (4).

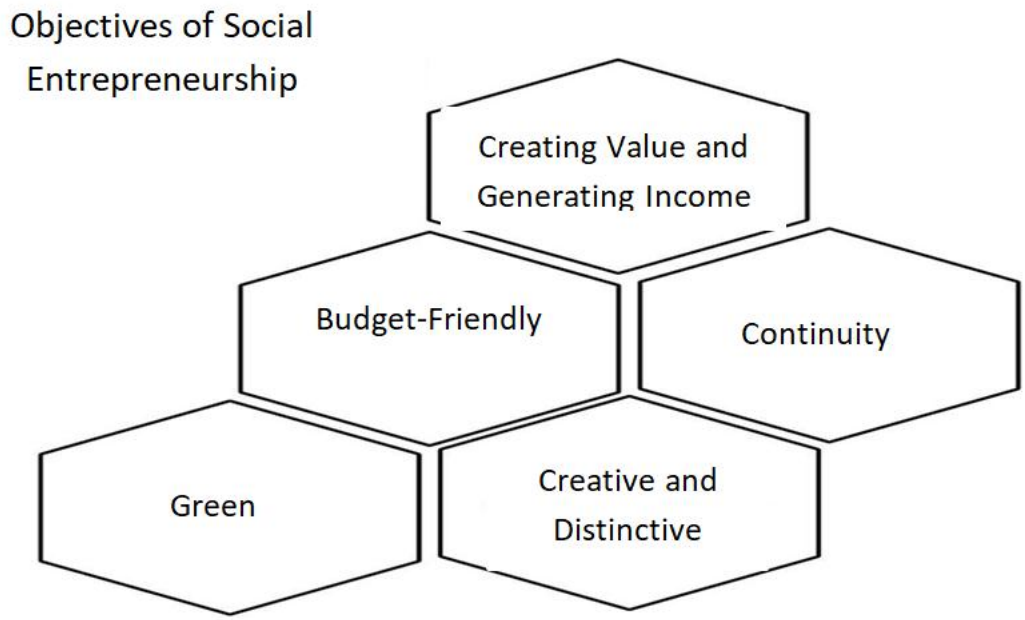

Figure (4) objectives of social entrepreneurship

Second. Dimensions of Social Entrepreneurship: Hitt, Ireland & Hos (2002) clarified that it is difficult to determine a single meaning for the dimensions of social entrepreneurship because it is linked to many components, and managers must innovate for what the future (Hitt, Ireland & Hos, 2002: 4). will be Koen & Baron see that the dimensions of social entrepreneurship are represented in the ability to achieve the difference in value between cost and profits, and that cost leadership and product differentiation are the essence of entrepreneurial activities (Cooper, 2000: 8). defined the dimensions of social entrepreneurship as the ability to create more entrepreneurial organizations through innovation, risk-taking, rapid exploitation of opportunities, and the ability to change in the field of performance standards, resource systems, sources, incentives, and organizational culture, in addition to recruitment and appointment. Wheelen &Hunger proposed procedures for developing and adopting decisions for the dimensions of entrepreneurial work through the following steps:

1. Develop the basic idea of the business, whether it is finding a product, service, or method of work, and determine the target market and customers.
2. Study and survey the external environment and identify sources of opportunities and potential threats and inputs to resources, in addition to markets.
3. Study and survey the internal environment and elements related to the new business, including human resources, work capabilities, and weaknesses.
4. Analyze strategic elements through SWOT analysis (strengths, weaknesses, opportunities, and threats).
5. Determine the decision to proceed or not proceed with the entrepreneurial work.
6. Develop a business plan that determines how to transfer and apply the business idea to reality

Harrison & Samson have identified a set of dimensions for social entrepreneurship as follows:

- **First Dimension Creativity and Innovation:** Managerial creativity is considered one of the fundamental components in the process of change. The developments surrounding us, resulting from the information revolution, technological explosion, increased competition between companies, diverse individual needs, limited resources, increased individual aspirations, enhanced communication effectiveness, large business organizations, and changes in values and principles, have created numerous problems. Therefore, organizations must respond to these developments by making changes and adjustments that keep pace with these developments. This can only be achieved through the existence of new ideas and modern methods that respond to these continuous changes (Khalaf, 2010: 6).

Reaching a new idea related to technology and impacting social institutions is considered innovation, which is a part linked to the new idea (Sanchez, 2012: 2). Al-Shabrawi (2002: 14) defines it as introducing new production methods or new products. Murad (2010: 7) defines it as producing models for new creative environments to satisfy needs, seize opportunities, and invest all available resources. It is also defined as unconventional creative solutions to solve problems and meet needs that take forms of modern technologies (Abdel-Rahim, 2003: 32). Therefore, innovation is about providing new services or products with value in services, ideas, procedures, and processes through the combined efforts of workers to express innovative behavior in creating these advanced products and services. Successful organizations, in order to ensure their survival and continued strength and influence, must not stop at economic efficiency only, but innovation and renewal must become the distinctive features of their products and performance. Innovation allows organizations to adapt quickly to changes and helps them discover new products and markets, which enables them to protect themselves from unstable environmental changes (Al-Bashabsheh, 2008: 15).

- **Second dimension Uniqueness:** Uniqueness is considered a distinguishing feature of business organizations from other competing organizations, whether in the nature of products or services they provide. Naseer and Al-Azawi (2011: 11) define it as the nature of resources owned by the organization that enables it to achieve a competitive advantage to continue with superiority in the long term in providing products and services that are difficult to imitate. Al-Sakarna (2005: 19) defines it as introducing new methods, whether technological, new products, or a new way of presenting the product or service, or managing and structuring the organization, in a way that differs from others.

Uniqueness is also defined as organizing and managing the resources available in the project and using them in an optimal way that leads to developing a new idea and turning it into something useful that builds upon a new demand. Therefore, it is necessary for the organization to provide distinctive and unique educational services that differ from other competing organizations to achieve independence and seize the opportunity to achieve excellence in production or service with the aim of obtaining a competitive advantage and ensuring rapid growth and good quality.

- **Third dimension Risk-taking:** All projects face many risks represented in unexpected events and circumstances that, if they occur, will have a positive or negative impact on at least one of the project's objectives. Here, risk management emerges, where its task is to help deal with risks effectively, whether the risks that threaten the project or those resulting from missed opportunities (Samaqia and Tatat, 2013: 34). Risk-taking is when an entrepreneur takes a risk by launching new products regardless of the risks of competition in the markets. Risk-taking is what is taken into consideration with the possibility of exposure to loss. It is defined as the willingness to provide basic resources to invest in an opportunity while bearing the responsibility for failure and its cost. Or it is the undertaking of unique activities to meet the needs of businesses and customers through discovering opportunities and exploiting them with a proactive mentality (Hussein: 2013, 2). It is also defined as the orientation towards the change required to reach an organization that meets needs, exploits opportunities, and bears the responsibility for failure.

Therefore, the dimension of risk-taking must be considered to avoid exposure to loss and to study the matter sufficiently and in detail to know all the risks and returns surrounding the company, so that it is ensured that the expected return is higher than the actual return.

- **Fourth dimension Proactiveness:** Proactiveness is participation in future problems, needs, and changes, and the extent of evaluating new products and management techniques (Sakarna, 2008: 8). It is also defined as the ability to take high risks more than the circumstances of the environment surrounding organizations and organizing economic and social mechanisms to convert resources and circumstances into a practical state. Or it is what innovators within the organization do in terms of arrangements to bridge the gap between systems and technology on the one hand and market forces on the other (Ismail, 2010: 15). The ability to take initiative whenever the situation requires it is considered proactiveness that characterizes entrepreneurial organizations through their efficiency in evaluation and processing by analyzing and predicting all sources of risk that threaten them and achieving their strategic goals and finding necessary solutions to these risks before they occur.

Many researchers and writers consider social entrepreneurship an old phenomenon and not a product of the 21st century. The term entrepreneurship was first used by the Irish scholar Richard Cantillon in 1734. Richard described the entrepreneur as a person who is willing to establish a new organization or project and is a person who accepts full responsibility for the results of uncertain businesses. The figure below illustrates the dimensions of social entrepreneurship (Fahmy and Muhammad, 2017).

Third. Measuring and Evaluating Social Entrepreneurship: When it comes to social entrepreneurship, measuring impact is crucial to understanding the effectiveness and initiative of the organization and ensuring that positive change occurs. Metrics and evaluation play a key role in this process, helping the organization track progress, make data-driven decisions, and communicate the value of its work to stakeholders. When delving into social entrepreneurship, we explore some key metrics and evaluation methods as follows (fastercapital, 2023: 22):

1. **Qualitative Metrics:** Qualitative metrics provide a specific understanding of social impact by capturing the qualitative aspects of change. These metrics focus on stories, experiences, and feedback from beneficiaries and other stakeholders, including:

Testimonials and Case Studies: Collecting stories and testimonials from beneficiaries can help identify the human impact of an organization's work. These narratives provide powerful evidence of the change being created and help convey the organization's impact to potential donors, partners, and supporters.

Surveys and Interviews: Conducting surveys and interviews with beneficiaries and stakeholders can provide valuable insights into the outcomes and long-term effects of a social organization. These methods allow for the collection of qualitative data to supplement quantitative metrics and provide a more comprehensive understanding.

2. **Quantitative metrics** are numerical measures that provide a quantitative assessment of a social organization's impact, and these metrics can range from simple numbers to complex calculations, including the following: (fastercapital, 2023: 22):

Number of beneficiaries reached: This metric measures the number of individuals or communities that have directly benefited from the social organization, for example, social organizations that provide scholarships, and if the organization focuses on education, it can track the number of students who received scholarships.

Revenue or sales generated: Although revenue may not be the ultimate indicator of social impact, it can be a useful metric for understanding the financial sustainability of the social organization, and tracking revenue can help assess the organization's ability to expand its impact and achieve long-term sustainability.

Cost per beneficiary: This metric calculates the cost of delivering the social organization's impact per beneficiary, helping to understand the efficiency of the organization's operations and identify areas where costs can be improved without compromising the quality of its impact.

The third section - The Practical Aspect

This aspect of the research includes several requirements, including testing the normal distribution of the research data and processing it to enable us to conduct descriptive tests on it, as well as testing the research hypotheses and also conducting significance tests on it, such as the (F, T) test, and as follows:

First. Normality Test: Banking data was obtained from Al-Taif Islamic Bank, and data for the independent variable (banking finance requirements) and data for the dependent variable and its dimensions (social entrepreneurship) were calculated according to the equations mentioned in the theoretical aspect, for the period (1993-2023), as shown in Table (1), for the purpose of conducting research tests on it.

able (1) Bank Data for Research Variables

Cost per Beneficiary	Bank Revenues	Loan Beneficiaries	Funding Requirements	Year
140000	34213555	320	23235000	1993
299000	653234689	150	32000000	1994
200000	790087666	187	30000000	1995
100000	39797788	324	56000000	1996
110000	222467789	123	222000000	1997
200000	2345667	100	40000000	1998
100000	2353155	190	12500000	1999
34000	3177425	356	20000000	2000
35000	16886168	200	10000000	2001
120000	17863566	100	8000000	2002
125000	18987655	200	3126000	2003
100000	10933566	155	20000000	2004
100000	378897876	200	14800000	2005
140000	34213555	320	23000000	2006
299000	653234689	150	25000000	2007
200000	790087666	187	300000000	2008
100000	39797788	324	404000000	2009
110000	222467789	123	20000000	2010
200000	2345667	100	120000000	2011
100000	2353155	190	50000000	2012
34000	3177425	356	700000000	2013
35000	16886168	200	300000000	2014
120000	17863566	100	350000000	2015
125000	18987655	200	205000000	2016
100000	10933566	155	120000000	2017
100000	378897876	200	150000000	2018
35000	434666788	500	300000000	2019
120000	12334000	1200	560000000	2020
125000	12764376	123	233440000	2021
100000	20000000	100	100000000	2022

To check for normality, we plot the probability distribution of the research variables.

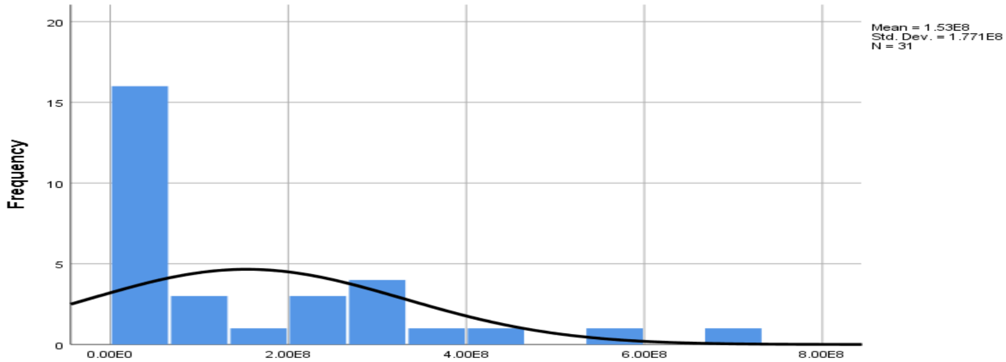

Figure (6) Probability Distribution (Funding Requirements)

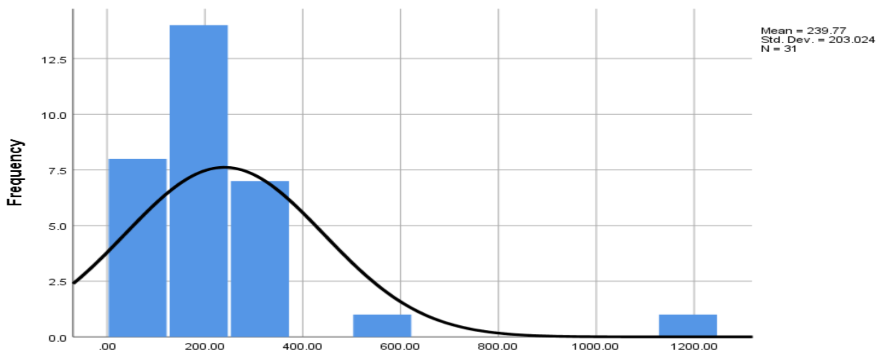

Figure (7) Probability Distribution (Beneficiaries)

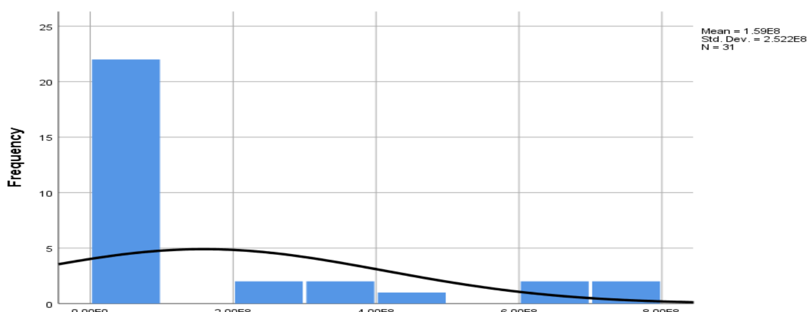

Figure (8) Probability Distribution (Bank Revenues)

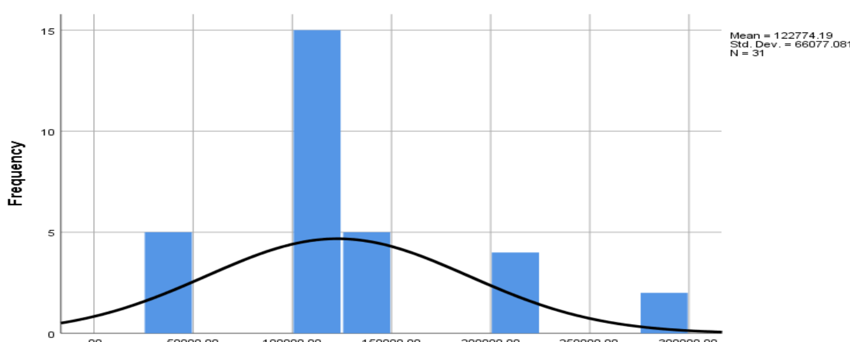

Figure (9) Probability Distribution (Beneficiary Cost)

Where it appears from the above figures that the distribution of the data is not normal, as it usually tends to the left side, and the data does not distribute around its arithmetic mean. To confirm this, we take the value of skewness and kurtosis for the data, as shown in Table (2).

Table (2) Descriptive Statistics of Financing Requirements

	Statistical Value	Statistical Parameter	Variable
	153293580.6452	Mean	Financing Requirements
	56000000.0000	Median	
	31351852760784948.	Variance	
	177064544.05325	Standard Deviation	
	3.13E+6	Minimum	
	7.00E+8	Maximum	
	696874000.00	Range	
	1.488	Skewness	
	2.012	Kurtosis	
	239.7742	Mean	Number of Beneficiaries
	190.0000	Median	
	41218.581	Variance	
	203.02360	Standard Deviation	
	100.00	Minimum	
	1200.00	Maximum	
	1100.00	Range	
	3.775	Skewness	
	17.241	Kurtosis	
	158782525.6129	Mean	Bank Revenues
	18987655.0000	Median	
	63580688114893568.000	Variance	
	252152113.04864	Standard Deviation	
	2.35E+6	Minimum	
	7.90E+8	Maximum	
	787741999.00	Range	
	1.610	Skewness	
	1.277	Kurtosis	
	122774.1935	Mean	Beneficiary Cost
	110000.0000	Median	
	4366180645.161	Variance	
	66077.08109	Standard Deviation	
	34000.00	Minimum	
	299000.00	Maximum	
	265000.00	Range	
	1.142	Skewness	
	1.751	Kurtosis	

The table above confirms that the data does not follow a normal distribution, as it shows skewness values for all data greater than zero, and kurtosis values are greater than three. This can also be illustrated through a scatter plot of the research data, as shown.

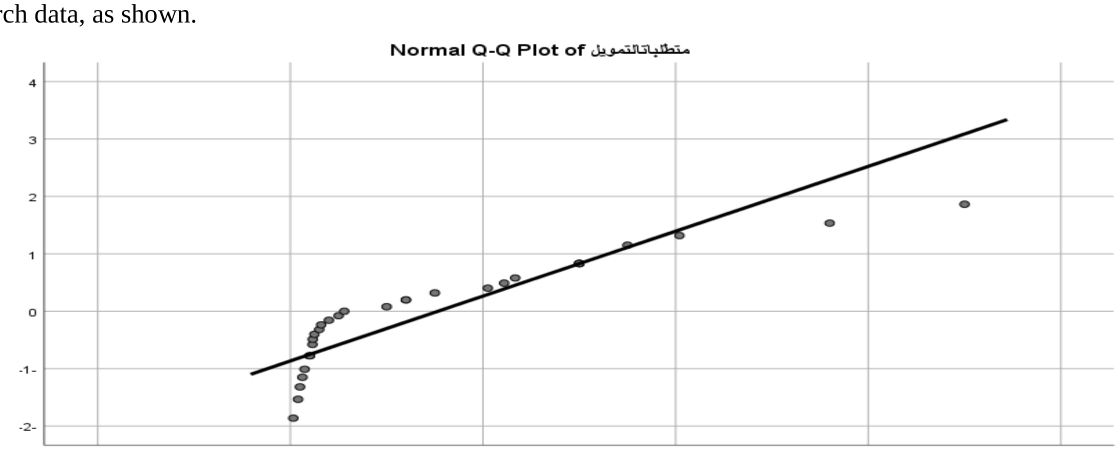

Figure (10): Spread of Funding Requirements

Figure (11): Spread of Number of Beneficiaries

Figure (12): Spread of Bank Revenues

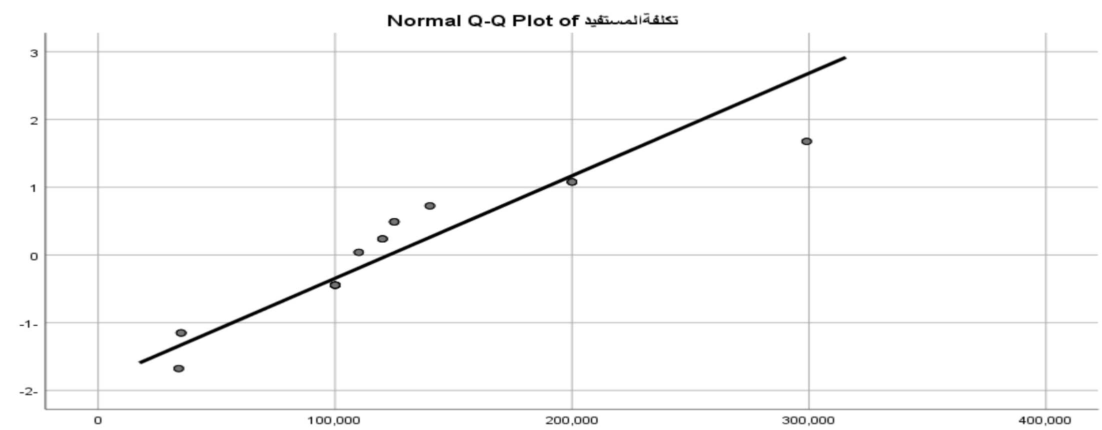

Figure (13): Spread of Cost per Beneficiary

Therefore, the data was processed according to the (Random Numbers) command to make the questionnaire tool ready to conduct parametric methods on it with a good degree of distribution. All test significances became greater than (0.05) for the Shapiro-Wilk and Kolmogorov-Smirnov test, as shown in Table (3).

Table (3): Shapiro-Wilk Test

Shapiro-Wilk			Kolmogorov-Smirnov[a]			
Sig.	Df	Value test	Sig.	Df	Value tes	
.150	31	.800	.000	31	.225	Financing Requirements
.800	31	.583	.000	31	.287	Number of Beneficiaries
.170	31	.655	.000	31	.362	Bank Revenues
.110	31	.849	.000	31	.228	Cost per Beneficiary

Secondly. Correlation Coefficient Test: Table (4) shows that the total correlation coefficient between the variable of banking finance requirements and the variable of social entrepreneurship was (0.54) with a test significance of (0.00), which indicates a moderately strong correlation relationship.

To prove the alternative hypothesis that there is a correlation between the independent variable (financing requirements) and the dimensions of the dependent variable (number of beneficiaries, revenues, cost per beneficiary), it appears that financing requirements are inversely related to the number of beneficiaries and revenue volume, respectively, where it reached (-0.513) at a test significance of (5%) and (-0.803) at a significance of (5%), which indicates that the bank's decreased need for financing and the availability of funds gives it opportunities to increase its revenues and the number of beneficiaries of its services. However, it is directly related to the cost per beneficiary, as it reached (0.789) at a significance of (5%), which indicates that the lack of necessary funds increases the cost per beneficiary.

The bank tries to compensate for this by increasing the costs on the beneficiaries of its services, meaning that increasing the bank's financing requirements would increase the costs on the beneficiaries, as shown in Table (4).

Table (4): Correlation Analysis of Research Variables

Cost per Beneficiary	**Revenue Volume**	**Number of Beneficiaries**	social entrepreneurship	
.789	-.805	-.513**	Pearson Correlation	finance requirements
.011	.000	.003	Sig. (2-tailed)	
31	31	31	N	
.54			0.00	total correlation

Thirdly. Testing Research Hypotheses: To test the research hypotheses that there is a significant impact of banking finance requirements on social entrepreneurship and its dimensions, we use simple and multiple regression coefficients to prove this. Table (5) shows the values of regression coefficients as follows:

1. **Social Entrepreneurship**: The regression coefficient was (0.69), which explains the impact of the independent variable (banking finance requirements) on the dependent variable (social entrepreneurship) by this amount, and the remainder is explained by other factors. The F-test for the model was (4.720) with a significance of (0.001), which indicates that it is possible to conduct the test on similar populations. The t-test was (2.672) with a significance of (0.02), which indicates the significance of the impact and acceptance of the hypothesis that there is a significant impact of banking finance requirements on social entrepreneurship.
2. **Number of Beneficiaries:** The regression coefficient was (0.701), which explains the impact by this amount, and the remainder is explained by other factors. The F-test was (10.33) with a significance of (0.003), which indicates that it is possible to conduct the test on similar populations. The t-test was (3.215) with a significance of (0.003), which indicates the significance of the test and acceptance of the hypothesis that there is a significant impact of banking finance requirements on the number of beneficiaries.
3. **Revenue Volume**: The regression coefficient was (0.671), which explains the impact by this amount, and the remainder is explained by other factors. The F-test was (3.210) with a significance of (0.005), which indicates that it is possible to conduct the test on similar populations. The t-test was (-0.567) with a significance of (0.001), which indicates the significance of the test and acceptance of the hypothesis that there is an impact of banking finance requirements on bank revenues.
4. **Cost per Beneficiary:** The regression coefficient was (0.830), which explains the impact by this amount, and the remainder is explained by other factors. The F-test was (2.640) with a significance of (0.010), which indicates that it is possible to conduct the test on similar populations. The t-test was (-1.625) with a significance of (0.000), which indicates the significance of the test and acceptance of the hypothesis that there is an impact of banking finance requirements on the cost per beneficiary, as shown in Table (5).

Table (5): Regression Analysis of Research Variables

Hypothesis Acceptance	finance requirements					
	significance	t test	significance	F test	Regression	Variables
Yes	.003	-3.215	.003b	10.336	.701	**Number of Beneficiaries**
No	.001	-.567-	.005	3.210	.671	**Revenue Volume**
Yes	.000	1.625	.010b	2.640	.830	**Cost per Beneficiary**
Yes	.02	2.672	.001	4.720	.69	**Social Entrepreneurship**

Conclusions and Recommendations

Firstly. Conclusions:

1. Financing plays a major role in applying and succeeding social entrepreneurship projects.
2. Financing is a basic function in banks to ensure their survival and continuity.
3. Effective planning in banking transactions is crucial as it helps mitigate risks. Additionally, banks have various financing sources, including internal financing, equity and bond issuance, and trade credit.
4. Most bank activities are covered by their own funds.
5. Banks' needs for funds are low due to retaining excess liquidity.
6. Social entrepreneurship projects are considered high-risk in the financing field.
7. There are obstacles in financing social entrepreneurship projects in the early stages.
8. There is a direct relationship between banking finance requirements and social entrepreneurship.
9. Banking finance requirements affect social entrepreneurship.
10. There is a variation in the financing gap in the bank from year to year.

Secondly. Recommendations

1. Bank management should pay attention to the relationship between financing requirements and social entrepreneurship.
2. Adopt a moderate investment policy for excess funds.
3. Address the financing gap through liquid assets, borrowing, or diversifying financing sources.
4. Pay attention to the relationship between financing requirements and the number of beneficiaries.
5. Reduce unnecessary costs and direct them to social entrepreneurship projects.
6. Pay attention to financing social entrepreneurship projects due to their significant impact on the economic and social process

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