NEW MOTIVES AND MODELS FOR CREATION SOCIAL BUSINESS IN THE REPUBLIC OF BELARUS

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The article presents the overview of the approaches and models, which are important in determination of social entrepreneurship driving forces. The research problem is arised for getting more wide view about activities and motivation issues of social entrepreneurs in the Republic of Belarus. The research aims to examine the individual features and motives of social entrepreneurs in profile of their personality related to appropriate business models for social entrepreneurship development. The broad and narrow approaches are used to get an answer about the perspectives of social entrepreneurship in this country.

The objectives of research are arised as follow:
1) define approaches of social entrepreneurs’ for individual profiling;
2) describe the motives of entrepreneurs to start activities for social business;
3) highlight the business models of social enterprises’ establishment.

The methods of research: monographic, descriptive and meta-analysis of scientific literature.

As well as the analysis of the empirical data is produced by in-depth interviews with the heads of organizations and enterprises engaged in social entrepreneurship in the Republic of Belarus (in-depth interviews were conducted in the period from 15th August to 15th November 2015, and 10 experts were involved). The key findings of research: marked a „broad“ and „narrow“ approaches for highlighting the profile of social entrepreneurs; approved the consequences that social entrepreneurs are high motivated and biased towards achieving socially beneficial purposes rather than material well-being; identified the circumstances about the existence of individual and organizational models for establishment social enterprises.

Key words: motivation, social business, social entrepreneur, social enterprise, social entrepreneurship, business models.

JEL Codes: H49, H55, O33, P46.

1. Introduction

Social entrepreneurship is a subject of a great scientific interest in the Republic of Belarus due to the significance of this phenomenon in the social and economic context. The development of social entrepreneurship becomes particularly relevant study for Lithuanian and Belarussian scientists who are focused on identification of effective entrepreneurial means for minimization social problems.

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The research is concentrated on the content analysis of the social entrepreneurs’ profile as presented by G. Dees (1998), P. Brinckerhoff (2001), D. Bornshetjn (2015), S. Abu-Saifan (2012), as well as organizations such as Ashoka Foundation (2016), Skoll Foundation (2016) and Schwab Foundation (2016).

The research problem is associated with insufficient knowledge of the individual features in social entrepreneurs’ profile, the motives for social activity, which hampers the development of social business.

The aim of the research – to examine the profile of social entrepreneurs and motives for starting the activities that affect the creation of a social enterprise by the appropriate business model.

Research objectives: 1) to define approaches to highlight the individual profile of social entrepreneurs; 2) to describe the motives of social entrepreneurs to start social activities; and 3) to highlight the business models for creation of social enterprises.

The object of research is fitted on the individual features of social entrepreneurs and motives to start-up the social business.

The methods of research: monographic, descriptive and meta-analysis of scientific literature. As well as an analysis of sociological data obtained by in-depth interviews with the leaders of organizations and enterprises engaged in social entrepreneurship in the Republic of Belarus (in-depth interviews were conducted in the period from 15th August to 15th November 2015, in the research 10 experts were participated).

Results of the research are representing the motives and individual features of social entrepreneurs to start-up social activities by appropriate business models.

Results of the research will be useful for interesants in the social business development and researchers of social entrepreneurship; for schools and foundations, whose purpose is to promote social entrepreneurship as well as the scientists and students, who get interest in this scientific field.

2. The role and activities of social entrepreneurs: theoretical approach

The activities of social entrepreneurs are focused on the background of reinforcing the changes in economic, social and political spheres of modern society.

In recent years social entrepreneurs are active in reducing the social, financial or economic exclusion, providing access to health care and reintegrating people into labour market, revitalizing remoted regions and communities, generating the environmental protective solutions. The role of social entrepreneurs is fitted to bring the tools to generate social and economic growth and sustainable environmental development. The ininitiatives of social entrepreneurs are extended on the impacts of business development and social business start.

The research is based on recognition of social entrepreneurs’ motives, knowledge and skills with the use of their individual activities domain. The individual profile of social entrepreneurs and their activities are appealed on the foundation of viable areas. They try to find the frustration in the growth by combination of financial and economic results and to mobilize the resources for ability to find solutions for societal improvements. Social entrepreneurs differ by their behavior in business and social environment. Social entrepreneurs’ individual features indicate the situation,
that individual values and motivation are changed upon the technological changes in last decade (Hoogendoorn cit. Inglehart, 2000), and such phenomenon is formulated by B. Hoogendoorn (2011) is called „economic security“ . Such phenomenon exists in big populations of the world, where economic and social conditions are poor and dominates the „survive“ standards of living.

Industrial societies are able to generate higher level of welfare and to saturate individual budgets. Therefore, rapid economic development generates higher demand of non-economic activities, which is not attractive for governance. Social initiatives are able to arise a great necessity of changes to shift from economic growth to cultural or social issues. Entrepreneurs of conventional business usually ignore the social problems, and causaly invest to particular activities.

The identification of driving forces of social business in broad and narrow approaches could get an answer about the perspectives of social entrepreneurship development and social innovations. Such contextualization discovers the fields of activities of social entrepreneurs. The role of social entrepreneurs‘ are changing by the reason that economic growth models are changing too – from managed economics to entrepreneurial economics (Audretsch, 2001; Hoogendoorn, 2011). Model of entrepreneurial economics is more dominating in developed countries with large-scaled production, concentrated investment to innovations and information technologies (Hoogendoorn cit. Thurik, 2011). In such business environment the special educated people are useful with high impact to start-up business and manage the environmental changes and welfare. Polarization of society is unavoidable under such impact, and the role of social entrepreneurs is changing. More neoliberal approach is starting to be dangerous in solving problems of public sector (Osberg, 2007). Social entrepreneurs are starting to be more active in this field, and the phenomenon of social entrepreneurship is going be on focus.

3. Social entrepreneurs‘ profile in unifying paradigm of entrepreneurship

General approach to entrepreneurship is fitted on activities in business environment such as philanthropy, public management, non-profit activities, providence of social services, social projects and social innovations (Dorado, 2006).

At the moment, the certain terminological ambiguity of definition of social entrepreneur's profile is not exist. This is due to the lack of a universally accepted definition to form understanding about the phenomenon of social entrepreneurship, as well as the breadth of features that are typical for him.

However, in this research as a basis for understanding social entrepreneurship is taken as the criteria proposed by G. Dees (1998):

1) „adopting a mission to create and sustain social value (not just private value);
2) recognizing and relentlessly pursuing new opportunities to serve the mission;
3) engaging in a process of continuous innovation, adaptation, and learning;
4) acting boldly without being limited by resources currently in hand, and exhibiting heightened accountability to the constituencies served and for the outcomes created“.

Analysing the context of social entrepreneurship, the mentioned criteria were taken as the specifying and supplementing the proposed characteristics of social ent-
repreneur by the Russian Foundation for Social Programs "Our Future". The experts of Foundation defined the "entrepreneurial activity as an aimed activity for solving or mitigating social problems, characterized by the following features – social impact, innovation, self-sufficiency and financial stability, scalability and replicability, as entrepreneurial approach" (Zvereva, 2015). Broad content of this approach combines expanded set of features that characterize the social entrepreneurs. The analysis of previous experience is summarized in 1 table and allows to select "broad" and "narrow" approaches to the definition of the profile of social entrepreneurs.

1 table. Approaches to insight the social entrepreneurs’ profile

| Broad approach | Social entrepreneur – “someone who targets an equilibrium that causes the neglect, marginalization, or suffering of a segment of humanity, who brings to bear on this situation his or her inspiration, direct action, creativity, courage, and fortitude, and who aims for and ultimately affects the establishment of a new equilibrium that secures permanent benefit for the targeted group and society at large”.

| Ashoka innovators for (2016) | Social entrepreneur – individuals with innovative solutions to society’s most pressing social problems.

| Skoll Foundation (2016) | Social entrepreneur – creators of innovations that disrupt the status quo and transform world for the better.

| Narrow approach | Social entrepreneur – person, who combines the passion of a social mission with an image of business-like discipline, and determines commonly associated with innovation (ex., high-tech pioneers of Silicon Valley).

| G. Dees (1998) | Social entrepreneur – person with these characteristics:
• they are constantly looking for new ways to serve their constituencies and add value to existing services;
• they understand that all resource allocations are really stewardship investments;
• they weigh the social and financial return of each of these investments;
• they always keep mission first, but they know that they also need money; without it, there is no mission output.;
• they are willing to take reasonable risk on behalf of the people their organization serves.

| P. Brinckerhoff (2001) | Social entrepreneur – person, who drives social innovation and transformation in various fields including education, health, environment and enterprise development; pursue poverty alleviation goals with entrepreneurial deal, business methods and the courage to innovate and overcome traditional practices.

"Broad“ approach lets to describe a social entrepreneur as a person, who exhibits a social problem with solution-oriented. The means of solving social problems from the perspective of this approach are not indicated and are not specified in full. In accordance with the "narrow" approach social entrepreneur is described as a person focused on solving social problems by means of the implementation of specific solutions in the field of social entrepreneurship programs. Moreover, „broad“ approach highlights the importance of innovation to be implemented in the course of doing business.

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„Narrow“ approach elaborates on the concept of social entrepreneurship by specifying the conditions necessary for the solution of social problems (innovative solutions, new business methods, etc.). Thus, „narrow“ approach describes the characteristics of social entrepreneurs through their individual features. Both approaches are not contradictory.

Summarizing research consequences, social entrepreneur is identified as an active business entity with activities focused on the solution or mitigation of social and environmental problems by means of developing innovative solutions to implement it in the sustainable business.

4. Results of sociological research for identifying the motives and features of social entrepreneurs

At the start point of every opening of a social enterprise there are activated entrepreneurial motives. The purpose to start business for social entrepreneur, as opposed to a commercial entrepreneur, is not only profit, but also the solution of social and environmental problems through the reinvestment of profits for social enterprise. The main motive of the social entrepreneur's activities should be related to the interest in solving social problems.

D. Kikkal and T. Lajons (2014) argued about the motivation type of social entrepreneurs. Usually social entrepreneurs have an intrinsic and extrinsic motivation. Intrinsic motivation is linked to individual values, causing attention for other disasters, and with confidence in their own abilities, based on previous experience. Extrinsic motivation comes from the individual collision with the social problem and the confidence in the support of like-minded.

The effective activity is available when social entrepreneur has a certain set of features. D. Bornstejn (2015) examined the experience of social entrepreneurs around the world and highlighted the following features of successful social entrepreneur – willingness to self-correct, willingness to share credit, willingness to break free of established structure, willingness to cross disciplinary boundaries, willingness to work quietly, strong ethical impetus. S. Abu-Saifan (2012) analysed the boundaries of individual characteristics of social entrepreneurs, and found that such types of behavior are available: mission leader, emotionally charged, change agent, opinion leader, social value creator, socially alert, manager, visionary and highly accountable.

In case of profit-orientation the inherent characteristics of social and commercial entrepreneurs includes behavioral types: innovator, dedicated, initiative taker, leader, opportunity alert, persistent committed.

The empirical research was provided within the framework of the project "Social entrepreneurship as a form of innovation activity in Belarus and Lithuania". Authors have conducted a sociological study on the activities of social enterprises. Social enterprises were fixed as the private enterprises and public organizations, which provide goods and services for social affairs or accept to solve social problems by their reinvestments.
Empirical data were obtained by providing individual in-depth interviews with the leaders of organizations and enterprises, who were identifying themselves as social entrepreneurs.

Selection of in-depth interviews is a method of sociological investigation substantiated the necessity of understanding and conceptualization of the phenomenon under empirical research in view of its novelty, lack of knowledge and prevalence in investigated countries.

The selection of respondents was carried out by the "snow ball" principle. Initial sampling units of Belarus were selected in the Internet Platform “Talaka.by”; total volume of sample – 10 respondents, the selected organizations related to following activities in 2 table.

2 table. Sampling of social entrepreneurship cases of the Republic of Belarus

<table>
<thead>
<tr>
<th>Sampling unit</th>
<th>Quantity of cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation of jobs and ensuring employment of people with disabilities</td>
<td>2</td>
</tr>
<tr>
<td>Providing non-formal education services for different categories of beneficiaries, including women from rural areas, disadvantaged families as well as people with disabilities</td>
<td>3</td>
</tr>
<tr>
<td>Special travel services for blind people</td>
<td>1</td>
</tr>
<tr>
<td>Development of an entrepreneurial culture</td>
<td>1</td>
</tr>
<tr>
<td>Creation of conditions for improvement of ecological situation in the city</td>
<td>1</td>
</tr>
<tr>
<td>Help young educated people to occupy a profitable niche in the labor market</td>
<td>1</td>
</tr>
<tr>
<td>Creation of the Internet-based platform for publishing social projects, the provision of consulting and training services in the sphere of effective social business</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
</tr>
</tbody>
</table>

Surveyed social enterprises were identified in different categories of people with disabilities and other disadvantaged groups (eg., women from rural areas from dysfunctional families), the urban population, educated young people as well as people who have a need to implement social projects.

Field of sociological research was carried out in the period from August 15th to November 15th 2015 by the developed „Quide topics“. One of the topic belongs to the Quide blocks concerning the identity of the social entrepreneur: the motives of his operations and his inherent qualities, as well as models for the establishment of social enterprises.

The analysis was based on answers of the respondents, and there were identified the following motives of social entrepreneurs:

• problem-solving of nearest environment (family, relatives, friends and acquaintances);
• desire to help people, who find themselves in difficult situations;
• possibility of implementing knowledge and skills, self-expression, desire for public recognition;
• need to be useful to society and the desire to change the country for the better.

Presented structure of motives of the Belarussian social entrepreneurs associated with altruistic motives, which are aimed at achieving socially significant goals. It
is worth noting that such a motive as increasing personal wealth and improving financial position is not a priority. No one of the respondents during the interview did not point on a profit motive as an incentive to the creation of the business.

Social entrepreneurship, as a form of innovation of organizational work, requires a particular set of features of social entrepreneur in the contribution of the implementation of an efficient social and economic activity.

Therefore, according to sociological research results, the social entrepreneur can be characterized by certain personal and moral qualities (involvement in the fate of the country, the desire to make life better for society).

Social entrepreneurs declare that people involved in social entrepreneurship could be characterized by following features:

- with relevant values and orientations;
- directed to activities aimed at solving social problems;
- with innovative thinking and active;
- with entrepreneurial "flight".

This list of individual features allows for social entrepreneurs to implement effective managerial decisions, to maintain the financial stability of the enterprise, and allow to focus on the mitigation of existing social problems.

According to the empirical research results the history of creation of social enterprises in the Republic of Belarus differs from the individual initiatives. Mainly the necessity to start social business belongs to initiatives of organizations.

Two models of social entrepreneurship development is available by individual and organizational business model. The Russian researcher N. J. Araj (2013) described two level business models of social entrepreneurship development. Individual level is emerged for social entrepreneurship and means that the initiative to establish the enterprise belongs to a social entrepreneur, and organizational level means that the initiative belongs to organization.

Individual business model of social entrepreneurship development starts activities of social enterprises actually undertaken on the initiative of the entrepreneurs. Such individual business model includes two types of enterprises: 1) the first type of activity is associated with the creation of business based on the analysis of previous experience and self-innovation of social entrepreneur; 2) the second type of activity is associated with the organization of social enterprise on the basis of daily professional activities when one of the independent enterprise is starting exist as social with separate financial resources.

Organizational model of social entrepreneurship development makes preconditions to create the initiative for social activity and to take place on parent company, which controls the activity of established enterprises.

The most important role in social entrepreneurship development plays people, who are creative and are able to apply individual business model for establishment of social enterprise. Within this model social entrepreneur initiates the development of social enterprise by himself or special motivation for entrepreneurial behavior.
5. Conclusions

1. There are two approaches to the profile description of social entrepreneur:
   a) „broad“ approach serves to describe the social entrepreneur as a person, who exhibits to a social problem as solution-oriented. And the means of solving social problems from the perspective of this approach are not indicated or are not specified in full;
   b) „narrow“ approach implies that the social entrepreneur is focused on solving social problems by means of the implementation of specific solutions in the field of social entrepreneurship programs, thus, the significance of implemented innovation is based on providing business.

2. Activities of social entrepreneurs in the Republic of Belarus are biased towards achieving socially beneficial purposes rather than material prosperity. The key motives are: decision entourage problems; desire to help "outsiders" who find themselves in difficult situations; the possibility of implementing knowledge and skills, self-expression, a desire for public recognition; the need to be useful to society, the desire to change the country for the better.

3. The features of entrepreneurial behavior are inherent and relevant to valued orientations: propensity to activities aimed at solving social problems, innovative thinking and action and entrepreneurial "flight".

4. On the basis of social enterprise establishment the individual and the organizational models are highlighted. Individual model presents how economic and social initiatives belong to the social entrepreneurs; and organizational model reveals the possibilities for creation of social enterprise when the initiative is a current activity of organization.

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NAUJI SOCIALINIO VERSLO KŪRIMO MOTYVAI IR MODELIAI BALTARUSIJOS RESPUBLIKOJE

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