

# A STUDY OF THE SOCIO-DEMOGRAPHIC PORTRAIT OF A SOCIAL ENTREPRENEUR AS A REPRESENTATIVE OF MODERN MANAGEMENT

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## Abstract

In the light of modern innovation transformations a clear change in approaches to entrepreneurship is occurred. The mission of the modern enterprise is increasingly becoming not only profit, but also the solution of socially oriented tasks. This study has purpose to define the typical characteristics of subjects of social entrepreneurship and to present socio-demographic portrait of a social entrepreneur as a representative of modern management. The research has been conducted via social networking; the respondents with a total of 32 representatives of small and micro business were invited to join the research with the links to application online. The survey was conducted during June-July 2019. The results show that social entrepreneurs are a special group of entrepreneurs that has specific features and differences from traditional businessmen. Practical and social implications of the research are to give impetus to strategic development of social entrepreneurship taking into account specific basic values and complex motivation of social entrepreneurs.

**Keywords:** social entrepreneurship, entrepreneur, social-oriented business, social problems, management

## INTRODUCTION

One of the most progressive trends in modern entrepreneurship is socially-oriented enterprise, which has recently received increasing attention in various sectors of economy and management. The content of social entrepreneurship is solving social problems: ensuring social, cultural and economic rights of citizens, reviving cultural traditions, responsible use of natural resources, introduction of patriotic education, promotion of traditional values and the institution of family, development of sports and healthy lifestyles, etc.

Social enterprise today is a rapidly growing industry all over the world. It is powered by a variety of tools for social programmes, impact investing, e-business, venture projects.

As well as social entrepreneur – a new type of a businessman, who can be a business owner, private entrepreneur, self-employed worker, representative of large, medium, small and micro business, NGO member.

## RESEARCH RESULTS AND DISCUSSION

This research has been conducted with a view to identify the typical characteristics of subjects of social entrepreneurship – social entrepreneurs – and to present socio-demographic portrait of a social entrepreneur as a representative of modern management.

The *objects* of the research are entrepreneurs (representatives of small and micro business) identifying themselves as socially-oriented ones or involved in various programs and activities related to social entrepreneurship.

The *methodological basis* of the research was the survey (formalized application online) developed for the research. The application questionnaire was focused on priority areas:

1. Ideas about the essence of the phenomenon of “social entrepreneurship”, its basic components and characteristics. Self-identification as a social entrepreneur, parameters of self-identification.

2. Personal portrait of a “social entrepreneur” (socio-demographic data: gender, age, education level, occupation, marital status, place of stay: urban or rural), basic social statuses and roles.

3. Motivation for engaging in social entrepreneurship, factors stimulating entrepreneurship (material incentives, social responsibility, incentives for personal growth and self-realization).

4. Humanistic value orientations and social activity.

5. Social connections, participation in associations, communities, social networks.

6. Social responsibility, inclination to activities aimed at solving social problems.

7. Involvement in interaction with government and local government structures, public influence.

8. Experience in participating in other public practices, including value components: charity, social activities etc.

9. Innovative thinking and activity, business innovations, creativity.

10. Economic efficiency of business and the main elements of a business development strategy. The main areas of implementation (types of goods and services), sources of financing.

As a sample basis of individuals a database of one of the top business Ukrainian sites (UA region.Info) was chosen. The initial base for the recruitment of respondents (mailing invitations to the survey) included about 50 emails of social enterprises and specific individuals. As a result of recruiting 32 completed questionnaires were received to the primary survey database.

The following preliminary results describing the personal socio-demographic portrait of a social entrepreneur should be presented in Table 1.

In addition, according to the results of the data preliminary analysis, it can be argued that approximately 10 % of the total respondents are not currently strictly representatives of social entrepreneurs as their answers for the direct question about self-identification “Do you consider yourself a social entrepreneur?” 3 respondents (9, 38 %) answered negatively.

However, given the ambiguity of existing definitions of social entrepreneurship as well as the respondents’ experience and future intentions in the sphere of social enterprise, such accuracy was not considered.

The same questions had been posed to the representatives of traditional business, after which comparative characteristics were done.

To characterise the concept of basic social statuses and roles, value orientation and social activity the respondents were proposed to answer next questions:

Table 1. Socio-demographic characteristics of a social entrepreneur

<b>Socio-demographic characteristics</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Gender</b>		
Male	18	56,25 %
Female	14	43,75 %
<b>Age</b>		
Under 35 years	12	37,5 %
36-50 years	12	37,5 %
Above 51 years	8	25 %
<b>Education level</b>		
The second (third and so forth) higher education, postgraduate school, special business education and so on)	4	12,5 %
Higher education (bachelor's or master's degrees)	21	65,63 %
Uncompleted higher education (without a diploma)	5	15,63 %
Secondary education (including secondary specialized education)	2	6,25 %
<b>Occupation</b>		
Business owner	6	18,75 %
Private entrepreneur	8	25 %
Self-employed worker	4	12,5 %
Representative of large, medium, small and micro business	7	21,88 %
Member of NGO (public or voluntary organization, non-profit partnership, fund)	6	18,75 %
Other	1	3,13 %
<b>Marital status</b>		
Married	21	65,63 %
Single	6	18,75 %
Divorced	4	12,5 %
Widow-er	1	3,13 %
<b>Place of stay</b>		
Urban	28	87,5 %
Rural	4	12,5 %

Source: compiled by the authors

1. Do you feel that most people are worth trusting or one should be careful when dealing with people?
2. Do you think that today there is more accommodation, understanding and solidarity or disagreement, disunity among people?
3. Are you ready to team up with other people to achieve common goals, or would you rather act alone?
4. In your opinion, how often can one meet the readiness to help each other among people?
5. How often can one meet among people now the readiness to unite in order to solve together social problems that do not concern them personally?
6. Do you consider yourself a socially active person?
7. Do you take part in the work of public organizations and associations, including professional associations, unions?
8. Have you recruited representatives of socially disadvantaged groups over the past few years?

9. Do you think that public administration should play a more supportive role in assisting the development of social entrepreneurship?

10. Do you consider that innovative thinking contributes greatly to the economic effectiveness of business or conservative approach is more desirable for you?

On the whole, the data obtained show that social entrepreneurs stand out sharply from businessmen in terms of a much higher level of social trust, a high predisposition to social solidarity, and a general optimistic attitude in assessing these phenomena.

Thus, it was generally felt by the businessmen that they are more restrained in terms of manifesting their civic engagement than social entrepreneurs, who on the contrary, are more trusting in relation to other members of community.

The most illustrative data on comparison of businessmen and social entrepreneurs, according to the questionnaire, is presented below (Figures 1–4):

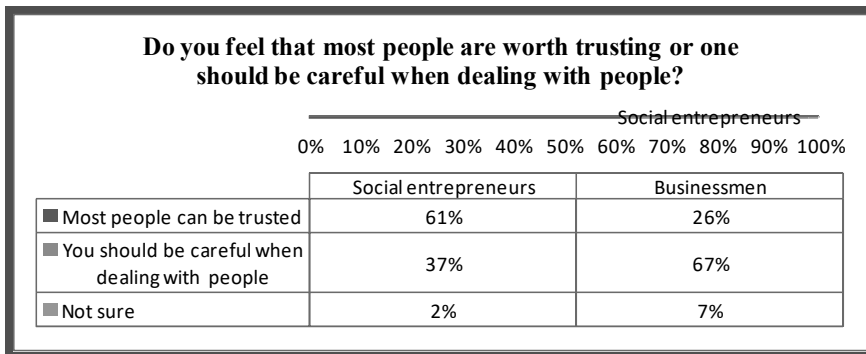


Figure 1. Do you feel that most people are worth trusting or one should be careful when dealing with people? (Business vs social entrepreneurship)

Source: own compilation

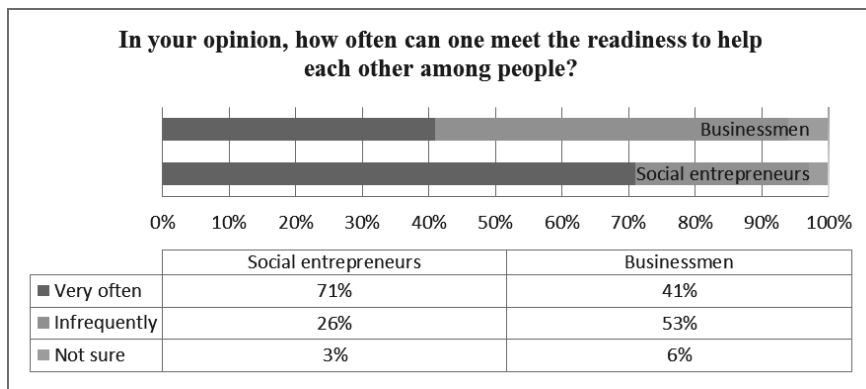


Figure 2. In your opinion, how often can one meet the readiness to help each other among people? (Business vs social entrepreneurship)

Source: own compilation

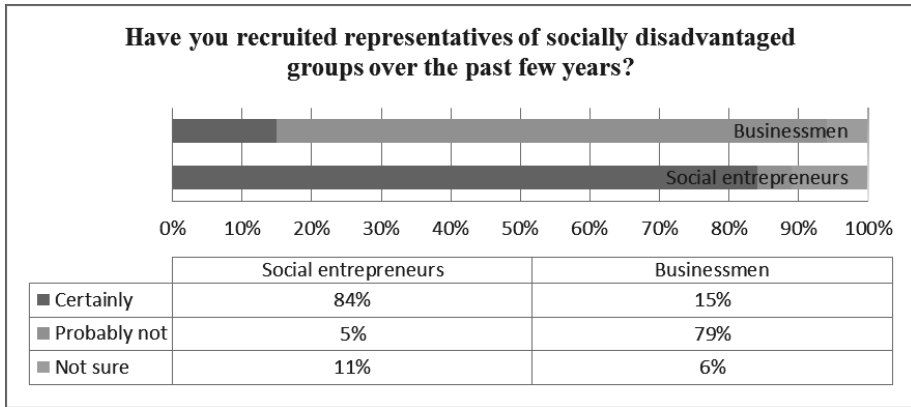


Figure 3. Have you recruited representatives of socially disadvantaged groups over the past few years? (Business vs social entrepreneurship)

Source: own compilation

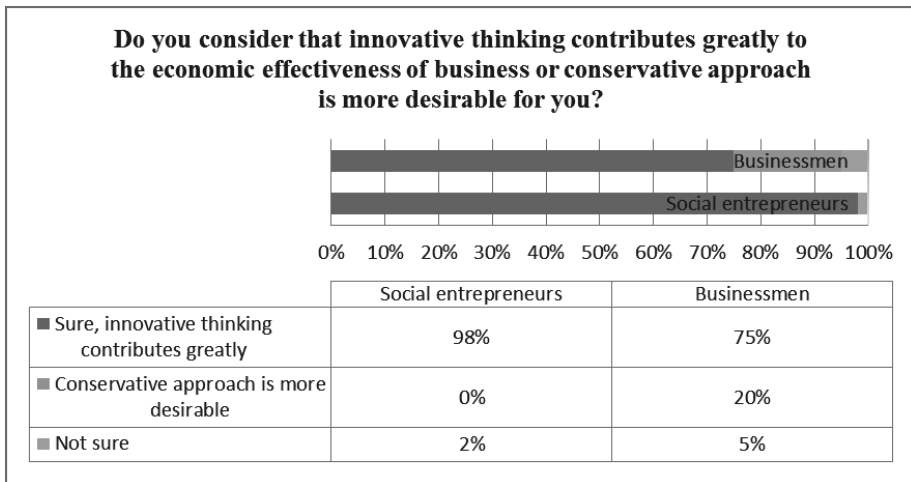


Figure 4. Do you consider that innovative thinking contributes greatly to the economic effectiveness of business or conservative approach is more desirable for you? (Business vs social entrepreneurship)

Source: own compilation

Another interesting feature identified during the study is gradation of responses within the group of social entrepreneurs depending on their socio-demographic characteristics. These differences are not as obvious as with representatives of business sector, but also must be considered.

Therefore, the answers vary most noticeably according to next categories: gender, age and occupation. For example, women social entrepreneurs proved to be more trusting with counterparties, than men; older representatives of socially-oriented business consider that there was more accommodation, understanding and solidarity in former times while younger social entrepreneurs insist on the opposite; members

of NGOs most often take part in the work of different public organizations and associations, including professional associations, unions; business owners are the most numerous group, recruiting representatives of socially disadvantaged groups over the past few years.

Data representing questionnaire answers within the group of social entrepreneurs is presented in Figures 5–7:

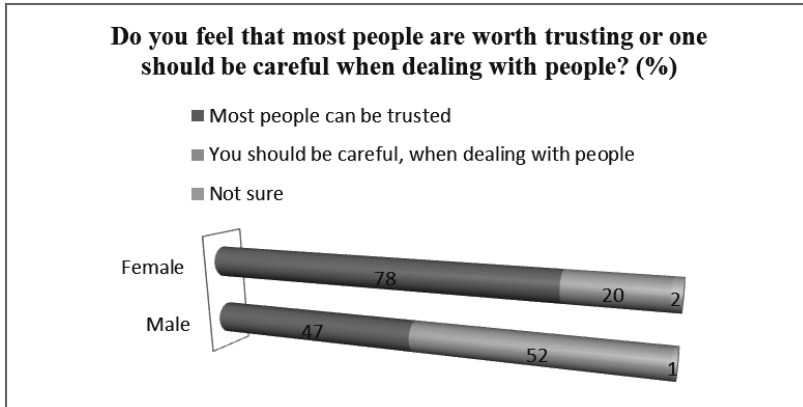


Figure 5. Do you feel that most people are worth trusting or one should be careful when dealing with people? (Within social entrepreneurs)

Source: own compilation

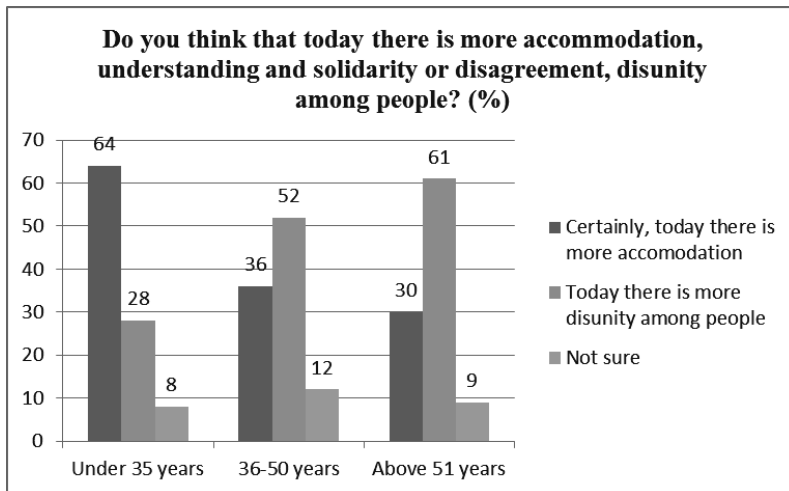
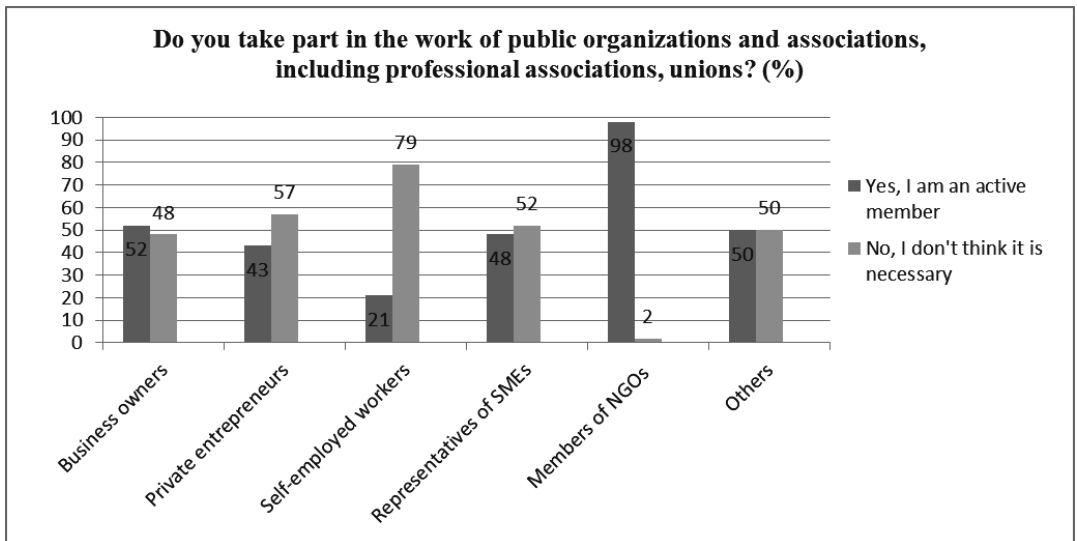


Figure 6. Do you think that today there is more accommodation, understanding and solidarity or disagreement, disunity among people? (Within social entrepreneurs)

Source: own compilation



*Figure 7. Do you take part in the work of public organizations and associations, including professional associations, unions? (Within social entrepreneurs)*

Source: own compilation

The data obtained during the study confirm that social entrepreneurs are a special group of entrepreneurs that has pronounced specific features and differences both from traditional businessmen and within their own group. The study indicates a complex structure of motivation to create an enterprise and engage it in social entrepreneurship.

The most powerful motivator for the social activity of an entrepreneur is the desire to implement a certain idea, which lies, as a rule, in the field of actual social problems of society, as well as the desire for independence to develop another space for self-realization.

Other grounds to run a socially-oriented business, according to the study, could be specified:

1. Moral and ethical obligations, desire to create a favorable ecosystem of welfare, unity and reconciliation.
2. Business-friendly long-term prospects, desire to provide long-term profit guarantees.
3. Formation of favorable reputation in the society in order to increase sales, be able to hire skilled workers, gain access to public funding and other benefits.
4. Improvement of the external environment, solving social serious problems.
5. Reduction of state regulation.
6. Balance of responsibility and power.
7. Increase in enterprise income as social responsibility contributes to the increase in the price of its shares.
8. Better conditions for receiving resources.

## CONCLUSION

An important result of this study is the conclusion that social entrepreneurship as a phenomenon becomes more understandable and accepted in the business environment.

In addition, it should be noted that the phenomenon of social responsibility gives socially-oriented entrepreneurship a moral and ethical right to exercise public authority, and the legislative regulation of social and economic activity of enterprises legitimizes the corresponding legal status. Accordingly, social enterprises aiming at meeting the needs of the society and participating in the process of self-management of the social system are endowed with public authority not only by legislative acts, but also by their very essence.

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