УДК 316:338.22

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PHILOSOPHY OF SOCIAL ENTREPRENEURSHIP: COMPLEX INFLUENCE OF PHENOMEN

Social entrepreneurship is analysed in different context and different viewpoints. The analysis still is vital and needed to be fulfilled in theoretical conceptual level becauseof different perceptions exist and scientific discussion in the theme still has unclear areas. In this paper it is just briefly emphasised some social entrepreneurship aspects that are important in developing research on synergy of social entrepreneurship, influence in different regions and environments. Especially the results could be applicable to such countries as Lithuania or Ukraine. The deeper analysis is social entrepreneurship stressing its importance for reducing poverty and social exclusion in the regions and countries could be important for economic and social development seeking for synergy of business and public sectors.

Keywords:social entrepreneurship, synergy, regions, social and economic development.

Actuality of the research and scientific problem of the article. Social entrepreneurship in management science still exists as one of the complex and multidimensional phenomena, which could be interpreted variously. The phenomena is complicated in its original nature, consequences, and influences on the interest groups it includes and effects. For example, the concept of *social entrepreneurship zone*positions social entrepreneurship based on the types of approaches organisations plan to apply to implement social change and the level of business practices they adopt to support these methods for change. Some organisations from each of the not-for-profit,for-profit, and public sectors fit within these boundaries[10]. It means that the sphere in which acts and expresses social entrepreneurship is very broad; it can cover all areas geographically, for example, cities, regions, or rural areas.

The different aspects of social entrepreneurship had been analysed in the works of Swanson L. A., Zhang D. D. (2010),Zhang D. D.,Swanson L. A, (2013), Azmat F. et al. (2013, 2015), Haugh E. (2005, 2007), Kabir M. et al (2014), Konda I. et al. (2015), Ney S. et al. (2014), Machdu V. et al.(2012,2014) leading to the main aim solved in this article.

The aim of the article lays upon the disclosure of social entrepreneurship in

terms of its complex influence in and on different environments, as, for example, geographically, influencing social and economic development of the regions.

The analysis of the problemcould be started from the point thatSwanson and Zhang argue that the biggest social changes could be done by for-profit organisations acting in some region and not only solving social problems, but as well as provoking social transformations in the areas [11]. It could be considered that positive changes could be inspirited from local businesses acting in a social manner. Business practice helps to support financially actions more oriented to a social manner. This viewpoint is quite different because it denies very important non-profit organisations activity in regional development, especially in rural areas. Still the economic development inspires stronger social changes based on easier access of financial resources generated by the same social entrepreneurs. However, non-profit organisations acting can not be diminished or excluded in social entrepreneurship as they were acting like primary level of social non-profit organisations NPOs.

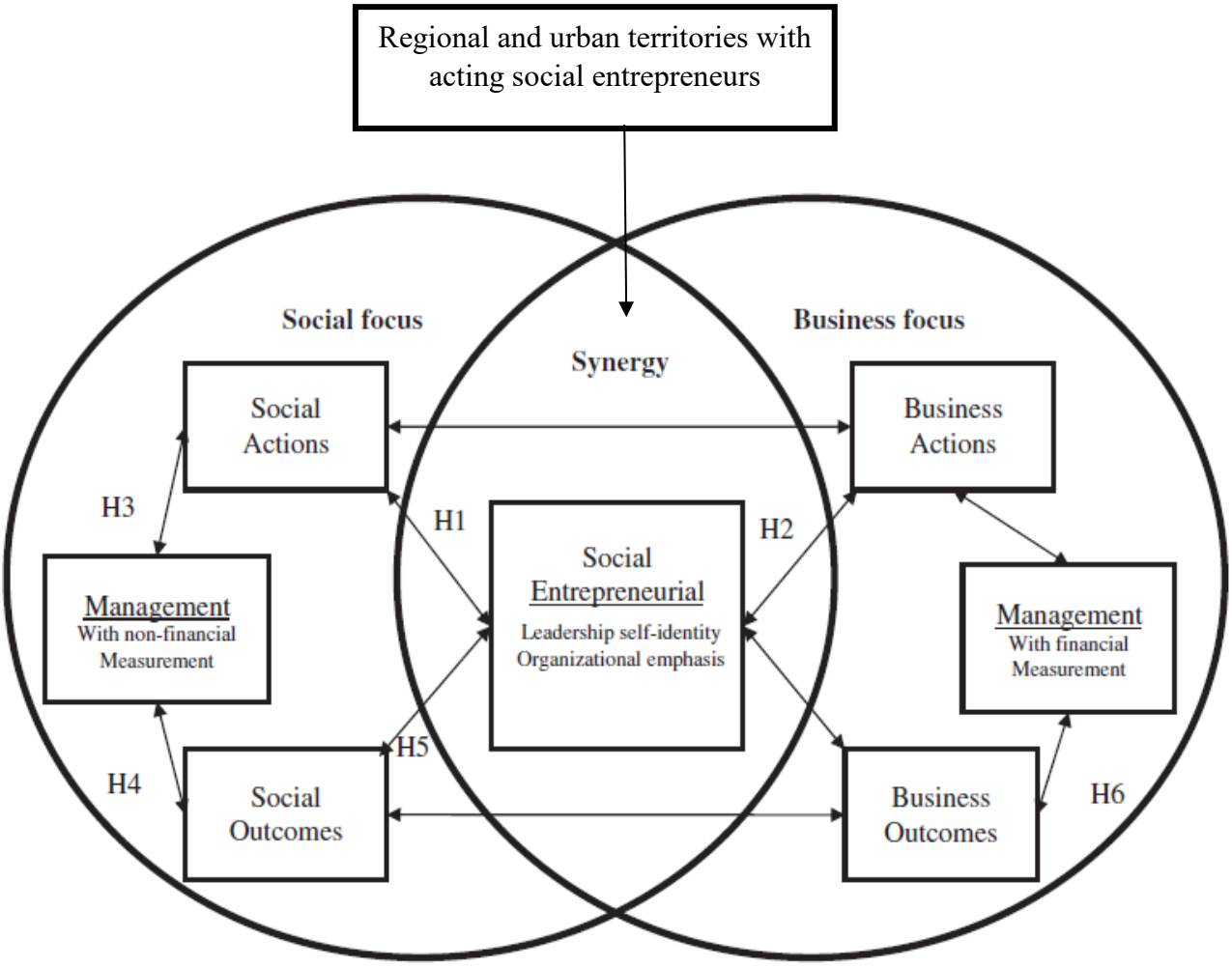

Figure. The dual focus of social entrepreneurship according Zhang and Swanson [11] moderated by the authors of article.

Social entrepreneurial NPOs have in the same time similarities with simple NPOs, but in the same time they are more progressive and more oriented to the synergy

in the different regions/ environments, for example, urban and rural areas. The authors discussing the role of non-profit organisations (NPO) in social entrepreneurship raised several hypotheses [10; 11]:

H1: Social entrepreneurial NPOs tend to enact social changes through their own actions rather than through others.

H2: Social entrepreneurial NPOs are more likely to manage their operations like a business than other NPOs.

H3: The likelihood of a NPO adopting non-financial measures to manage its operations is positively related to the degree to which it engages in social actions.

H4: Employing multiple nonfinancial measures enhances NPO's performance outcomes.

H5: The more social value a NPO delivers, the more likely it will self identify as being social entrepreneurial.

H6: Social entrepreneurial NPOs use financial accountabilities to enhance business operations.

The arguments these authors are giving to defend the raised hypotheses are in favour of the positive justification of them. Some of the hypotheses are arguable as, for example, H3. Still in the frames of this article it is important to focus more on the synergy of social and business oriented organisations for providing social transformations, especially in the regions, where social exclusion exist and social inclusion is vital. It is worth to mention that financial instruments are strongly helping social NPOs to implement social actions as H3 was denied by researches. It implies deeper analysis due to the point that business models are necessary in social infrastructures and they help to improve effectiveness of the activity in terms of social actions and transformations.

Creating social value can be an effective differentiating and positioning tool for some commercial for-profit businesses, as well. Especially such transformations are needed in rural areas where social and economic problems exist and living territories are becoming empty spaces (for example, in some parts of Lithuania, when small towns in peripheries area like Kapciamiestis(district of Lazdijai) are dying.

In terms of subsistence marketplacesthey face multiple financial, informational, infrastructural, and educational resource shortages that limit people's ability to work and restrict their income potential [2]. The populations in subsistence marketplaces are vulnerable because they are economically, culturally, and socially deprived [1; 7; 8]. Haugh[3] further points out that in the context of the financial limitations, bureaucracy, and inflexibility of the market— all common in developing countries and especially in subsistence marketplaces—market opportunities fail to attract mainstream entrepreneurs. In these conditions, research has argued that social entrepreneurs perform a residual function and are instrumental in garnering resources and capitalizing on submarket opportunities. This is because social entrepreneursgenerally have a more positive outlook than the population as a whole and, therefore, are less likely to be discouraged by contextual constraints [4; 1].

The situation lays even more different in the so called third countries where poverty is high (still it cannot be excluded in EU countries as consists about 20 percent of population in such countries as Lithuania and Latvia (Eurostat data)). In such

countries as Bangladesh to ensure a balanced socio-economic development of the country, emancipation of women with a changein their status is a precondition, which can be achieved only when there is an increased participation of women indevelopment activities. However many income generating activities like livestock and poultry, fisheries, socialforestry, nursery, vegetable cultivation, sericulture, carpentry, handicraft etc. are being attempted by women ofrural areas[5]. Sustainable agriculture, rural development and food security cannot be achieved through efforts thatignore or exclude more than half of the rural population –women, women constitute more than half of theagricultural labour force and are responsible for most of the household food production in low income food deficitcountries.Many social entrepreneurs operate in developing countries that have no structures or resources that would enable and support traditional entrepreneurship. Therefore, social entrepreneurs must create novel business models and organisational structures, and unique strategies for brokering between very limited, disparate and often dynamic resources to create social value [6]. The difference ineconomic development of the countries does not deny the fact that social entrepreneurship is powerful tool for synergy of different regions and environments especially seeking to diminish poverty and social exclusion.

Ney et al. [9, p. 60; 6]mention that, first, value creation refers to the design and delivery of productsand services. Some social entrepreneurs will introduce entirely new practices tothe provision of public goods and social services. Second, value creation alsoinvolves the financing practices, human resource management and marketingregimes to deliver products. Some social entrepreneurs may provide a rathercommon product or service, say health care, but are radically innovative in their financing, managing and marketing practices. In this way, the framework captures social innovations that create value in terms of the services or products, in terms of management and in terms of both. Social innovations aim to create value for society.In some EU countries, for example, Slovenia, the greatest difficulty with the implementation of social innovation into the social setting is the weak supportive environment, lack of funds and the unwillingness of the state and other important actors to take risks and make changes [6]. In Lithuania situation could be quite similar, one of the most important factors remain poor legislation, tax regulation, weak knowledge social entrepreneurship and social innovation. Such conditions lead to poor development of innovative social enterprises. Unemployed people are lacking inspiration and support for successful entrepreneurial social start-ups.

Conclusions. The key points analysing social entrepreneurship complexity and influence leads to conclusion of social and economic development of regions caused by effective synergy of public and private sector, business and public organisations. Especially such synergy is needed in regions where social exclusion and poverty exist. EU countries suffer such kind of problem as well. Social innovation creation establishing social enterprises could be one of the solutions solving slow social and economic development in some regions, for example, of Lithuania, Slovenia. As much as difficult situations could be enhanced fostering social inclusion instead social exclusion. Appropriate infrastructure, financial resources, entrepreneurial skills and abilities, political initiatives, business willingness are just a few preconditions to foster effective social entrepreneurship development in the countries despite different their

social economic context.

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important for economic and social development seeking for synergy of business and public sectors. It might be concluded that despite different social economic development and socio economic context of the countries social entrepreneurship implemented through social innovation could be one of the possibilities to improve development of regions excluded economically and innovatively.

Keywords: social entrepreneurship, synergy, regions, social and economic development.

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ФИЛОСОФИЯ СОЦИАЛЬНОГО ПРЕДПРИНИМАТЕЛЬСТВА: КОМПЛЕКСНОЕ ИССЛЕДОВАНИЕ ЯВЛЕНИЯ

Социальное предпринимательство анализируется в разных контекстах и с различных точек зрения. Анализ по-прежнему имеет жизненно важное значение и требуется приспособление в теоретическом концептуальном уровне, потому что существуют различные восприятия и научные дискуссии до сих пор неясных вопросов на эту тему. В данной статье кратко подчеркнуты некоторые аспекты социального предпринимательства, которые играют важную роль в разработке исследований по синергии социального предпринимательства, влияют на развитие различных регионов. Результаты могут быть применимы в таких странах как Литва или Украина, особенно расшыряя иссследования. Более глубокий анализ социального предпринимательства подчеркивает его важность для снижения социального отчуждения в регионах и странах и может иметь важное значение для экономического и социального развития в синергии бизнеса и государственного секторов. Можно сделать вывод, что, несмотря на различия социально-экономического развития и социально-экономического контекста стран, социальное предпринимательство, осуществленное посредством социальных инноваций, может быть одной из возможностей для улучшения развития регионов,отстающих в области экономики и иноваций.

Ключевые слова: социальное предпринимательство, синергия, регионы, социальное и экономическое развитие.

Стаття надійшла до редколегії 27.07.16 р.
Рекомендовано до друку 31.07.16 р.