



Social Entrepreneurship in Romania: Significance and Models

Cătălina Mitra Crișan¹, Dan-Cristian Dabija², Vasile Dinu³

¹ Babes-Bolyai University, Cluj-Napoca, Romania, Faculty of Economics and Business Administration Department of Management, e-mail: catalina.crisan@econ.ubbcluj.ro

² Dan-Cristian Dabija, Babes-Bolyai University, Cluj-Napoca, Romania, Faculty of Economics and Business Administration Department of Marketing, e-mail: cristian.dabija@econ.ubbcluj.ro

³ Vasile Dinu, Bucharest University of Economics, Romania, Faculty of Business and Tourism Department of Business, Mihai Eminescu Building, e-mail: dinu_cbz@yahoo.com

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ABSTRACT

Approach: Social entrepreneurship is a complex process that provides solutions to the most complex contemporary issues of our society. Nowadays, more and more organizations use this form of market approach when seeking to help less fortunate people, by providing unique benefits and by gaining the upper hand on a competitive level. In many cases, the impact of these organizations on target markets is undeniable, confirming the sustainable and critical nature of this process oriented towards solving social problems generated by: excessive resource consumption, environmental pollution, increasing number of social assistance, discrimination against people with disabilities and vulnerable groups etc.

Purpose: In the article, the authors provide an overview of the current state of social entrepreneurship research, offering baseline data on the state of social entrepreneurship in Romania. Even in the most austere environments, anyone possessing creativity and determination can dare launch social enterprises.

Methodology: Supporting the theoretical premises of the literature, the authors turned to a qualitative empirical research, which they conducted with the help of an interview addressed to representatives of 1.418 organizations.

Findings: Pertinent conclusions are drawn, thus increasing relevance both in terms of theoretical and practical aspects. Our research results function as a benchmark for further approaches in the field of social entrepreneurship and facilitate a better understanding of social entrepreneurship rates in Romania.

1. INTRODUCTION

At a time when we cannot speak of economic progress and sustainable development without referring to the social value of an entity, responsible behaviour and social-oriented management become benchmarks for any organization that seeks proper market positioning and best ways to meet customers' needs. As private companies exert a growing influence on the

market, increased consideration of reasonable behaviour and ethical principles should be supported in order to avoid the devastating effects of unethical practices on society at large (Dinu, 2008). Both public and private sectors must treat the sustainability issue holistically, establishing a balance between the quality of lifestyle and the responsible consumption of resources (Dabija, **Băbuț**, 2013). The sustainable development of a society may be possible by encouraging organizations that are actively involved in addressing the root causes of social problems, such as social enterprises, non-governmental organizations with social missions and companies through CSR policies (**Crian**, 2013).

More and more researchers believe that social entrepreneurship offers a range of tailored-made solutions to problems faced by contemporary society (Austin et al., 2006; Mair and Marti, 2009; Mair et al., 2012; Dees, 2007; **Țigu** et al., 2015; Zahra et al., 2009). Excessive use of resources, environmental pollution, the increasing number of socially assisted persons, discrimination against people with disabilities and vulnerable groups due to insufficient integration alternatives etc., are some of the current challenges of the world we live in today. Notorious examples such as the Grameen Bank and Cafedirect come as a confirmation of theoreticians and practitioners' opinions of social entrepreneurship.

The term "social entrepreneurship" was first used more than forty years ago by Banks (1972), when it echoed a social movement initiated by social innovators, due to social conditions on the existing market. The growing popularity of social entrepreneurship was reinforced by the inclusion of its study in educational curricula of prestigious universities in the USA, such as Harvard Business School, Stanford University, Columbia Duke, New York University (Dees, 2007). Social entrepreneurship in general and its forms of manifestation in particular (practical strategies of implementing it) have become the focus of reputed research centres hosted both by higher education institutions and by companies (Tracey and Phillips, 2007; Smith et al., 2012; Cheben and Lancaric, 2012; Munteanu et al., 2014; Bartoš et al., 2015; O'Leary, 2015).

The issue of social entrepreneurship has been extensively studied in recent years, its theoretical approach being often based on various current examples of best practice commonly used by various organizations. This paper aims to confirm the dynamics of the social entrepreneurship and to present the features of this phenomenon on the Romanian market. For this purpose, the authors report the most representative approaches that support the complex structure of social entrepreneurship, referring to the fact that the initiative to create social value through this process may be the prerogative of local authorities, of various non-profit, but it can be also the result of private initiatives, of ordinary people. Although non-profit organizations are most likely to promote social entrepreneurship, it is considered that any initiative for implementing this process can happen only if there is determination, creativity and solidarity with the most vulnerable groups (**Drăguin** et al., 2015).

Due to the undeniable benefits offered, social entrepreneurship is essential in a sustainable development of modern society, and organizations acting in accordance with these principles certainly deserve their status of examples, perfectly capable of turning social problems into business opportunities. To confirm this view the authors provide an overview of social entrepreneurship in Romania, by performing an empirical study designed to highlight the general features of social involvement of and NGOs alike (that could be taken as promoters of social entrepreneurship processes). Likewise, to provide an even clearer image of social entrepreneurship, the authors will present three standard examples meant to illustrate different aspects of local social enterprises that have managed to adequately adapt to a shifting environment, characterized by a continuous change in terms of economic, political, social, and especially legislative aspects, and basically managing to face the many challenges.

2. SOCIAL ENTREPRENEURSHIP – COURSE OF ACTION SUPPORTED BY SOCIAL ENTERPRISES

A delimitation of social entrepreneurship from the general concept of entrepreneurship is justified by the recent specialized literature, through the possibility of creation and development of social enterprises (Mair and Marti, 2006). These hybrid entities that combine social economic principles in a new revolutionary way are in fact focused on providing services for their communities (Pomerantz, 2003), for the ones facing various challenges (social and demographic difficulties, the standard of living etc). According to Schwab Foundation for Social Entrepreneurship (Schwab Foundation for Social Entrepreneurship, 2010), social entrepreneurs resemble, to some extent, commercial entrepreneurs because in both cases the key challenge is to create self-sustainable organizations with the mission to solve social problems and not to make profit. According to Kramer (2005), the social entrepreneur is the equivalent of a person who creates and runs an organization that can be oriented towards achieving profit or not, focusing on the innovative nature of its business, introducing new methodologies, manufacturing systems that are revolutionizing the field of activity, etc.

Social entrepreneurship is considered to be an innovative policy of public management designed to “heal” the shortcomings of the social system within a country (Prahalad, 2005;). This approach is oriented towards the welfare of individuals, aiming to generate social added value (Lewellyn et al., 2010) and social cohesion (Di Domenico et al., 2010). Social entrepreneurship can be triggered by economic initiatives carefully designed to correct existing market failures translated into a lack of jobs, lack of future perspectives for people with disabilities, ethnic discrimination, poverty, etc. It should be able to provide sustainable perspectives for solving real problems to which public systems of social protection have not yet found a solution (Wallace, 2007). Furthermore, Dees (2007) believes that social entrepreneurship is an integral part of a process that continuously reinvents itself by offering alternatives to local communities, to the state and to different companies, for various troubles the society is facing.

Kauffman Foundation (2010) includes in the category of social entrepreneurship organizations that are primarily focused on generating profits for social purposes. Including commercial activities in the social entrepreneurship process increases the chances that this process will be, on a long term, a viable and self-sustaining one.

More and more researchers are linking social entrepreneurship to a specific phenomenon within the non-profit sector (Taylor et al., 2000). Non-profit organizations bring their indirect contribution to economic growth, especially by liaising different entrepreneurial approaches and strategic investments in solving various social problems (Bahmani et al., 2012). In doing so, the organizations manage to improve areas and conflict aspects, especially those that are “hard to manage” by the society. In fact, these approaches can create jobs, increase social welfare by actively involving community members in various activities, attract individuals towards training courses and education etc. In this way technological process and innovation are encouraged, stimulating the development of those communities that are able to implement such measures, with a direct impact on the social, economic, educational aspects within a specific area (Abramovitz, 1989; Nicolescu and Nicolescu, 2012).

More and more authors consider that in the absence of an efficient mechanism able to generate revenues for organizations with a social mission, sustaining their mission will become increasingly difficult (Wallace, 2007; Moss et al., 2011). In order to gain financial sustainability, non-profit organizations are keenly getting involved in initiating various sustainable innovative entrepreneurial approaches, such as creating and selling goods or services that add value, which are meant to promote social change (Mair and Marti, 2009; Marshall, 2011; Zahra et al., 2009).

Social entrepreneurs can be considered activists of the social cause that manage to reconfigure the way resources are used in order to achieve specific results directed to solving social

problems (Pearce, 2003). Taking into account the innovative steps taken by an organization to address social problems, it can be said that between social entrepreneurs and commercial entrepreneurs, there is only a small difference given by their mission statement (Arend, 2013). Thus, while social entrepreneurs envision mainly charitable and philanthropic actions, commercial entrepreneurs are primarily focused on economic activities measured by financial results. However, in both cases, getting a monetary equivalent surplus remains essential, fully justified by the need for further investments dedicated to supporting the activities that contribute to meeting the targets of the organization. Thus, the binary structure of the social enterprise going hand in glove with predefined social objectives is influencing the strategic approach of shareholders, internal and external customers.

Social entrepreneurs act as agents of social "change" (Nicholls, 2006), guided by different ethical principles and behaviours (Drayton, 2002), in order to increase the accountability of local communities and to find the best solutions to identified social problems (Yunus, 2008). Besides promoting a specific social-oriented mentality, the social entrepreneur must fully acknowledge the benefits of a type of business which aligns its activities to its targets. Important elements that may prove useful could refer to: adequately addressed social problems, transparency of decisions taken, corroboration of social mission with the organization culture, properly generated monitoring and measurement of social impact, invitation to permanent innovation, and foundation of intra-organization capacity to generate viable self-sustaining and self-regulating mechanisms according to market trends.

3. RESEARCH METHODOLOGY

Numerous published studies on social entrepreneurship and the role that it continues to hold in modern society demonstrate the growing interest in this topic. Different authors conclude that this form of entrepreneurship can decisively influence society and its progress (Mair and Marti, 2006; Nicholls, 2006; Perrini, 2006; Gawell, 2013; Abrham at al., 2015; Belas at al., 2015).

This is a pilot study based on pioneering work designed to highlight the main directions of social entrepreneurship in Romanian organizations, with the help of an empirical study (interview guide) and the case study technique. In order to meet this goal, the authors have approached 1,418 organizations (associations, foundations and limited liability companies from different fields of activity). Managers and/or other responsible individuals from the top and/or middle management were interviewed according to the interview guide developed by the authors regarding different aspects of the social entrepreneurship dimensions and activities from Romania. From the 1,418 companies contacted for the interview only 185 could be answered favourable, which means that the response rate is of 13.04%. Although this is quite low, due to the complexity of the studied problem and the topic addressed, the results can be very well generalized and clear strategies might be highlighted.

The selection of the surveyed companies was preceded by a close investigation of those organizations that have applied measures of social responsibility, and are focused on caring for vulnerable people, the environment and civil society from the north-western part of Romania. All contacted companies were either listed in the database of the Romanian Ministry of Labour, the Romanian Child and Social Protection Service, as well as from a private subscriber list, with open access on the website.

The limits of this study are given by the small number of respondents from the private sector, which stems from the top managers' lack of readiness and of social awareness, low number of top managers etc.

4. RESULTS OF THE RESEARCH

4.1 Analysis on the premises of ensuring the social entrepreneurship in Romania

The evaluation of social entrepreneurship in Romania was made by contacting over 1,418 organizations, from the non-profit and commercial sector. This empirical research is based on 185 responses that had been validated, out of which 53.51% were represented by associations, 25.95% by foundations and only 20.54% by companies. Fields of activity vary considerably (sport and leisure, tourism, education and counselling, religion and culture, production, trade, different types of services), the questioned managers indicating between one and seven major domains that generate revenue for the organizations they represent. While 27 managers did not indicate any major field of activity generating the biggest part of their revenue, 55 organizations are focused on one field only, 36 on two, 45 on three, 3 on four fields, 10 organizations on five fields, 8 on six, and only one focused on seven fields of activity. Interestingly enough, it appears that, in general, the associations are active in several fields (Table 1). Most of them are active in counselling (36 associations), arts (24 associations), health (22 organizations) and environmental protection (21 organizations). The main areas of activity of foundations included in the sample seems to be counselling (24 foundations) and education and training (15 foundations), while respondents from the two companies are active in the religious field.

Table 1: Fields of activity of studies organizations (own research)

Field of activity	Organizational Form							
	Companies		Foundations		Associations		Total	
	n	%	n	%	n	%	n	%
Art	1	0.25	2	0.50	24	5.99	27	6.73
Religion	2	0.50	4	1.00	6	1.50	12	2.99
Sport and leisure	4	1.00	1	0.25	11	2.74	16	3.99
Child care	1	0.25	5	1.25	16	3.99	22	5.49
Health	1	0.25	6	1.50	22	5.49	29	7.23
Education and training	4	1.00	15	3.74	76	18.95	95	23.69
Tourism	6	1.50	1	0.25	14	3.49	21	5.24
Media	-	-	1	0.25	1	0.25	2	0.50
Environment protection	-	-	2	0.50	21	5.24	23	5.74
Recycling	-	-	1	0.25	9	2.24	10	2.49
Agriculture	1	0.25	1	0.25	8	2.00	10	2.49
Counselling	4	1.00	24	5.99	36	8.98	64	15.96
Trade	9	2.24	1	0.25	8	2.00	18	4.49
Production	5	1.25	8	2.00	4	1.00	17	4.24
Financial services	8	2.00	-	-	5	1.25	13	3.24
Employee rights	3	0.75	-	-	1	0.25	4	1.00
Transport	-	-	7	1.75	11	2.74	18	4.49
Total	49	12.22	79	19.70	273	68.08	401	100

The geographic area of actions of the entities within the sample vary a lot, being both local (76 organizations), and international (23 organizations) – Germany, Austria, Belgium, the UK, Hungary, Poland, Ukraine, the Republic of Moldova etc. Analysing the range of activity of all organizations included in the sample, we notice that most organizations are active at a national level (72 or 38.92% of the sample), a significant number of which being active also internationally (42 or 22.70%).

The social orientation of the investigated organizations stands out if we take into account the number of employees working for these organizations: 123 have permanent employees, 92 have part-time employees and 92 use volunteers. As most NGOs have up to 10 employees, while only a small number can boast more than 20 employees, it follows that NGOs are not able to ensure a large number of jobs, first of all due to the limited financial resources available and temporary projects carried out. Associations appear to be more orientated on the social elements, using a relatively large number of part-time employees or volunteers. In this respect, their management may contribute to the proliferation of the social value, succeeding to a large extent to act in accordance with the principles of charity and philanthropy. This value can be reflected also in the form of job opportunities for people with disabilities. Unfortunately the number of companies that employ such persons is very low, only 2 companies indicating that they have employed people with disabilities. This only demonstrates a certain reticence towards perceiving them as a valuable asset. The chances of these people to find a job and to have a financially independent life are drastically reduced, which may actively contribute to emphasizing their social problems and challenges.

Another aspect that we included in our research was the importance given to the social value by businesses and NGOs, which is why we analysed the mission of the organizations included in the sample. As expected, the majority of the companies surveyed declared that making profit and obtaining innovative products/services are the most important aspects taken into account when setting their mission, while issues like pollution reduction, environmental conservation, job creation and social protection, are not a priority. This suggests that the businesses surveyed are focused on the development of profitable business and less on the social component of the activities undertaken.

The most common words associated with the concept of social entrepreneurship were: people, business, helping the needy and charity. In the case of companies 63.15% of managers have never heard the term social entrepreneurship, while in the case of the NGOs only 21.08% of the respondents were not familiar with the concept. The increased awareness of the phenomenon has been fostered by the many European projects granted for solving social problems such as Roma inclusion, integration of people with disabilities, poverty reduction, school dropout, etc.

Both in the case of the NGOs and the companies, excessive bureaucracy, legislative restrictions and mismanagement were identified as the major problems in generating social value. Most of the respondents, in the case of companies, indicated that they do target the results of social involvement, which demonstrates that CSR policies are not aimed at having a long-term sustainable impact.

Analysing the nature of the aid granted in the form of social responsibility policies by the companies analysed, we observed that financial aid was preferred, but there are also companies that provide assistance in the form of counselling, employment, food and clothing and even shelter. Financial support is preferred among companies because this form of aid does not require additional effort or complex activities, thus revealing that most of the respondents do not have a long-term social responsibility policy. The actions oriented towards solving social problems have often been quite arbitrary or context-conditioned, and thus, unable to hold the core values meant to emphasize sustained social responsibility policies. Business aid is focused more on helping people with disabilities, followed by children and young people and individuals with low incomes. Segments represented by refugees and prisoners are not shortlisted by companies (Table 2).

Another analysed aspect was the enterprises' predisposition to collaborate with NGOs, organizations that have the biggest chances to actively support the social entrepreneurship process. Thus we analysed the extent NGOs are seen as potential partners in the process of implementing corporate social responsibility policies as well as the NGOs' willingness to extend relations with companies. An overwhelming majority of the respondents (81%) said that they would

not establish a partnership with an NGO in order to achieve social responsibility policies. However, those who would agree to it would do so only if it were mutually beneficial, if social activities were too complex to handle, or if the social impact were greater. In the case of NGOs we notice that there is an increased willingness to support competitiveness in order to attract resources for social purposes, but the association/collaboration with other NGOs in the field is not seen as a means of increasing the performance and hence the social impact. This brings about the negative side of the issue, starting from the fact that, in the non-profit sector, social-oriented organizations should identify ways of attaining success. In this case the collaboration with organizations pursuing the same goal would increase their social impact and at the same time their efficiency. Collaborations with the industry sector are considered by the NGOs as an attractive alternative of creating value in terms of stimulating performance growth.

Table 2: Organizational forms of target groups (own research)

Target Group	Organizational Form							
	Company		Foundations		Associations		Total	
	N	%	n	%	n	%	n	%
People with disabilities	3	0.53	12	2.13	44	7.82	59	10.48
Children and young people	7	1.24	30	5.33	72	12.79	109	19.36
Elderly/ retired people	1	0.18	12	2.13	23	4.09	36	6.39
People with low income	3	0.53	12	2.13	34	6.04	49	8.70
Unemployed	-	0.00	8	1.42	22	3.91	30	5.33
Homeless	3	0.53	8	1.42	13	2.31	24	4.26
Minorities	2	0.36	5	0.89	5	0.89	12	2.13
Refugees	-	0.00	1	0.18	5	0.89	6	1.07
Women	3	0.53	3	0.53	21	3.73	27	4.80
Drug or alcohol addicted	1	0.18	9	1.60	5	0.89	15	2.66
People with learning difficulties	6	1.07	7	1.24	11	1.95	24	4.26
Mentally challenged	4	0.71	17	3.02	37	6.57	58	10.30
Prisoners / Ex-convicts	-	0.00	3	0.53	7	1.24	10	1.78
Local Community	3	0.53	14	2.49	62	11.01	79	14.03
Environment	-	0.00	3	0.53	22	3.91	25	4.44
TOTAL	36	6.39	144	25.58	383	68.03	563	100.00

At the NGO level we have identified a problem of transparency, most respondents stating that data regarding the activity carried out can be accessed by any interested group, but a relatively high proportion (64%) said that such information is available after obtaining the consent of certain people within the organization. Another aspect that brings distrust into question is the fact that access to financial information, useful in identifying ways of using financial and material resources, is often conditioned by filling in request forms that need management consent.

4.2 Good practices in social entrepreneurship

An adequate understanding of the phenomenon of social entrepreneurship cannot be separated from the consideration of practical experiences, situations or specific cases in which social enterprises succeeded in promoting the social mission for which they were created. To put this material together, the authors prepared an overview of several examples of social entrepreneurship in Romania. In general, social entrepreneurship and accurate forms of manifestation of this are somewhat at the beginning, there are no established models or a coherent

strategy at play. We have organizations that managed to implement their approaches to social entrepreneurship as a result of their abilities in identifying concrete means to exploit some niche situations.

For certain areas in Romania, social entrepreneurship facilitated a spectacular development of the local communities that were at the subsistence level. Due to a proactive involvement in the Roma community and to providing initial capital consisting of a minimum amount of resources, the beneficiaries of the social entrepreneurship project have not only been able to improve their standard of living, but also to take part in self-sustaining activities. Of course, through this approach, local communities were supported by specialists from various foundations, and by the Romanian people, Hungarians and Saxons living in the neighbouring areas (MedialInfo, 2011). In 2004, at the initiative of the American Foundation Heifer, Romas in the village Nema Sibiu, were given the chance to choose a better life and social prosperity (Heifer, 2008). Before the actual start of the project, community members participated in training courses organized by the Resource Centre for Romas Communities and Heifer Romania. To facilitate the access of the community to a constant source of food and income, the foundation offered them about 200 goats. Each family received between five to six goats, with the obligation to donate the first billy goat to other disadvantaged people in their community. This initiative has allowed the families to understand that only by acting together can they become effective entrepreneurs, can they learn the secrets of charity and are they able to work together to increase the value of shared goods. Program beneficiaries were organized into a cooperative farm in order to manage the pasture needed to ensure food for goats from each family. Because community members did not have the necessary parcels to cover the needs of food, they enlisted for the help of the local city hall, as well as some local benefactors.

Implementing this entrepreneurial endeavour did not come without its difficulties and challenges. In fact, tensions sparked off when goat milk production exceeded family consumption, the excess being difficult to capitalize on the market for various reasons (Romanians' reticence to buy milk from Romas – considered to be dirty – or the price per litre – considered to be too high). Consequently, the beneficiaries of the program had to identify other sources of income from the sale of billy goats, animal breeding, contributing to the perpetuation of the French Alpine goats etc. (Adevărul, 2011) Also, eight beneficiaries have joined into a cooperative and have built up a farm on the outskirts of the village with the support of the Foundation and some locals. Another remarkable thing is the fact that the community members who built the cooperative gave up the financial support of a foundation focused on Roma communities, the money saved being redirected to the local school and to other community projects.

Closing down orphanages in **Arge** county increased the number of children with disabilities, to which the public education system did not offer a viable prospect for professional or personal development. Following an accident suffered at the age of 23 which laid him up for two years, a local entrepreneur decided to create support centres for people with different social needs. Together with Soros Foundation Emergency Fund, the young entrepreneur has established several charitable organizations, HAND-ROM Foundation, "Marina Day Centre", "Sf. Paraschiva" Centre, pre-professional training workshop DizabRom (Argeexpres, 2013). Thanks to a very inspiring motto "From assisted assistant - I succeeded and you can too!" people with social problems or from orphanages are encouraged to gain financial independence, to pursue various training courses or learn some crafts (candle-making, etc.), to learn how to adapt to the present working and living conditions, to learn the skills and abilities necessary for a normal life. Furthermore, the integration of all these people in society is sustained by interaction with people in the community through established programs organized in collaboration with various companies (Hand-Rom, 2014). Such products are marketed in the various fairs and events with religious themes through a commercial company (Nicosmail, 2014).

Following the laying off of more than 95% of employees from the steel plant Mechel in Câmpia Turzii, the local authorities were faced with extreme unemployment (unemployed 4,800

out of 26,000 inhabitants). They obtained a four million euro financing of a social enterprise focused on producing ski overboots, respectively for the training and retraining of young employees (Ziarul de Cluj, 2013). Although the new social approach created only 250 jobs, the initiative has proved successful, mainly because, when finalizing the project, employees are given the opportunity to become owners of the company (România Liberă, 2014). This approach aims not only to achieve sales of products and to ensure the sustainability of the company on this highly competitive market, but also to solve the social problem of the city, due to the reinvestment of a significant portion of profits in the company. The major innovation of the new social enterprise is that it is composed of four different associations. While three of them will produce the raw materials required to manufacture overboots, the fourth manages the entire process, ensuring relations with the markets and customers. Additionally, besides manufacturing textiles, the project envisions the production of metal and wooden objects, as well. The project scheduled a series of professional training courses for 250 people and retraining for 138 others who were subsequently employed in various businesses. Companies that hire qualified unemployed people through this program also received certain grants of up to 5,000 Euros. At the same time, re-qualified people have a chance of accessing funding of up to 15,000 Euros for the implementation of different business ideas.

5. DISCUSSIONS

Social entrepreneurship proves that through ingenuity and innovation and by being dedication and performance-oriented, you don't need to be a successful manager in order to be able to generate added value. Instead, a clear, well defined strategy is needed and it must be in accordance with the objectives and resources at hand. Despite the major influence that social enterprises can have over society, both socially and economically, in Romania, this phenomenon continues to face many obstacles and problems. Currently, there is apathy among companies and NGOs in promoting social entrepreneurship, the field being into an early stage of development. Lack of transparency, excessive bureaucracy, reluctance to collaboration, desire to gain high benefits from projects aimed at supporting social entrepreneurship, are some of the impediments that delay the propagation of the phenomenon in Romania.

Lack of legislation and delays in adopting Social Economy Law (L.14/2014) Social Entrepreneurship initiatives are difficult. Accordingly, social entrepreneurship (social economy) is identified by the social relations established in order to fulfil the public interest and sustainable development, in order to sustain full social cohesion and integration. The law clearly states that at least 30% of the employees must belong to a vulnerable group, at least 50% of the profit must be reinvested in the company's activity and the social enterprise activities must be consistent with the objectives of the county development plan (Proiect de Lege Economia Socială, 2014). The implementation of the law is, in our view, absolutely necessary, because it precisely regulates the intervention on vulnerable groups and provides a more accurate perspective on the implementation of social entrepreneurship in different organizations.

Representative examples of good practice demonstrate that for both the profit-oriented organizations, and for those where generating profit is not the central element, social entrepreneurship ceases to be an isolated case and becomes a primary vector generating competitiveness and entrepreneurial performance. We can argue that social entrepreneurship is a widespread phenomenon in different Romanian organizations, whose dimensions expand yearly, causing major changes in daily life, significant changes in companies, and giving those who want to improve their market position a new way of approaching the target markets. Of course that for a proper implementation of social entrepreneurship, a prerequisite is that the direct beneficiaries of these measures are not indifferent to the support or aid and are able to understand the need for an active involvement. They need to be aware of their own actions, which

ultimately contributes not only to their own welfare, but to uplifting the entire community to which they belong.

The major contribution in Nemsă social project consisted in changing the mentality of the inhabitants in the area, enabling them to understand that change can be achieved only if they agree to change their opinions, perceptions and approach to different daily situations. Although the primary purpose of the project was to ensure basic means of living for the Roma community, facilitating their integration into the local community, the project enabled also entrepreneurial initiatives with a major long-term social impact. In addition to educating beneficiaries, the project offered entrepreneurial advice and also tried to properly educate the Roma, thus endowing them with better use of knowledge, skills and abilities acquired, in viable projects for their own welfare and of community's. Nemsă case clearly demonstrates that without an integrated view on the potential development of disadvantaged communities and active involvement of people to change their mentality, any counselling program, project, and private institutional approach are doomed to failure. Only by focusing on key issues for long-term success, such projects are viable and can be successfully implemented even among disadvantaged Roma communities. Without participatory involvement, will, determination, dedication, proper counselling, long-term vision and of course financial resources, social entrepreneurship initiatives are not sustainable and do not cause major effects on long term, probably just specific solutions to some problems of the communities.

In other situations, such as the social enterprise established for former employees of the Mechel Câmpia Turzii or the initiative Dizab-Rom, a challenge is to attract funds to generate useful long-term benefits. Although the structure of social enterprises helps attract alternative sources of income (donations, sponsorships, grants, etc.), the major challenge for these initiatives is adapting to the realities and challenges of the market economy. Survival and especially their development depend on the ability to enact these initiatives and to become competitive, to benefit from the intellectual contributions of smart entrepreneurs and to be able to adapt to any conditions, and to have the capacity to innovate and upgrade the approaches implemented. Basically, the main objective of any business initiative is to attract or generate investment funds, which of course, due to the social mission, could lead to searching for alternatives, including grants. We rightfully appreciate that, in order to record more examples of successful social enterprises, new approaches are that are able to combine the innovative financial and economic objectives with social ones are required.

6. CONCLUSIONS

In terms of an adequate legal framework, social entrepreneurship can be extremely effective in fighting various problems, especially challenges facing society on a whole (pollution, poverty, illiteracy, global warming, etc.) or some local communities (lack of infrastructure, inequality of opportunity, etc.). Certain differences from country to country in terms of economic, social, cultural and economic background are reflected in the forms of manifestation of social entrepreneurship initiatives, which surfaced some peculiarities at both a local or a regional level. The legislative framework in Romania, although relatively large, doesn't clearly establish the contents of the process, leaving room for many subjective interpretations or possible confusion. The vast majority of practitioners in Romania manage to guide the implementation of social entrepreneurship initiatives following some models already validated in several other countries, but the market conditions are totally different. For this reason, for lack of appropriate structures able to support the process of social entrepreneurship, their initiatives often fail to materialize in viable functional mechanisms, being doomed to failure on a longer term.

Thanks to the reputation that social entrepreneurship in Romania enjoys, there is a more intensive orientation towards attracting European funding from the implementation of various

initiatives. The underlying motivation of entrepreneurial approaches is essential, since such projects are able to generate new jobs, ensure financial support for daily life, and beneficiaries can become more empathetic, they can relate better to people who have different social issues etc. A possible problem caused by such social initiatives is the lack of personalized advice provided to ensure sustainability and continuity in implementing these programs. A relatively large number of such initiatives are not feasible on long term, organizations abandoning them once funding ends.

Combining social goals with business practices - as the social mission is paramount - can affect the economic performance of social enterprises. It is therefore imperative to have an adequate corroboration of the mission and strategy of socially responsible organizations with a strategic focus on organizational skills. In an attempt to adapt to market needs, some businesses drift from the mission formerly established. That is why maintaining the values that contributed to the initial position of social enterprise becomes essential. Failure in most cases derives from the desire to get the material upper hand, which undercuts the initial social-oriented principles.

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