



Research Article

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Articulation Strategy for the Strengthening of the Management of Social Entrepreneurship Projects, South Region of Colombia Experience

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Abstract

Social entrepreneurship has an increasingly important role in the solution of current social challenges. The aim of this document is to establish an articulation strategy to strengthen the management of social entrepreneurship projects in a region of southern Colombia. A mixed study was carried out by collecting and analyzing qualitative and quantitative data. Actors of the social entrepreneurship ecosystem was studied. Surveys were applied to social entrepreneurs, interviews and focus groups with experts in entrepreneurship from the academic, public and private sectors were carried out. The level of development of the social entrepreneurship ecosystem was identified through the collection of primary sources. Finally, strategies were designed to strengthen the projects of this ecosystem. The strategies focused on the ecosystem community, an enabling environment, the interconnection of the Ecosystem, Entrepreneurial Development Programs, Education, and a city-wide entrepreneurial strategy.

Keywords: Development, Social Entrepreneurship, Social Entrepreneurship Ecosystem, Startup, Regional

1. Introduction

Social entrepreneurship plays an increasingly important role in solving today's challenges. This type of entrepreneurship is understood as a process that creates innovative solutions to immediate social problems and mobilizes the ideas, capacities, resources, and agreements necessary for sustainable social transformations (Alvord et al., 2004). Social entrepreneurs use organizational principles to create change by establishing and managing a company (Durieux and Stebbins, 2010). Due to this important effect on society, it has received a great deal of interest both in practice and in academia allowing a consolidation and maturity of social entrepreneurship. (Sassmannshausen and Volkmann, 2018).

In practice, many organizations and projects support social entrepreneurship. For example, one of the most famous organizations is Ashoka in the United States, which promotes social entrepreneurship by identifying and investing in leading social entrepreneurs around the world. The second example is the Schwab Foundation for Social Entrepreneurship in Switzerland, a non-profit organization whose goal is to promote social entrepreneurship and encourage social entrepreneurs as an important catalyst for innovation and societal progress. Another organization is Project SEED, a global project to promote and support social and environmental entrepreneurship to achieve sustainable development and poverty reduction. One of the most famous and inspiring models is Muhammad Yunus, who received the Nobel Peace Prize in 2006 thanks to his social enterprise Microfinance. It has been replicated in 58 countries around the world (London and Morfopoulos, 2010). The main aim of this document is to evaluate the articulation of social entrepreneurship in the city of Neiva, Colombia.

2. Literature Review

Social entrepreneurship has been studied from different areas, such as administration, entrepreneurship, political science, economics, marketing, sociology and education (Short et al., 2009), which makes it difficult to find a consensus (Thompson et al., 2011). Dees (1998) refers the emergence of the concept of social entrepreneurship to the establishment of the Ashoka organization, founded in 1980 to provide funding and logistical support to social innovators driving the emergence of social entrepreneurship centers in universities and to several other foundations such as Schwab and Skoll Foundations (Dees 1998; Drayton, 2002).

Social entrepreneurship is a relatively new area of research, considered a subcategory of entrepreneurship (Certo and Miller, 2008). According to Nicholls (2010), two conceptual traditions of social entrepreneurship can be distinguished: the tradition of social innovation, which emphasizes social value and the process of social change, and social action of the business type, which follows business logic and business models. The first tradition discusses political transformations and empowerment in the context of social changes and the second concerns the recognition of new market opportunities for business. Bacq and Janssen (2011) divide the concepts of social entrepreneurship into schools of thought of innovation and social entrepreneurship. Mair and Marti (2006) reveal three approaches: Social entrepreneurship as a catalyst for social change, such as non-profit initiatives that create social value and corporate social responsibility.

Social entrepreneurs are seen as people with new ideas to address important problems, people who do not take no for an answer and who do not give up until they have spread their ideas as far as possible (Bornstein and Davis, 2010). Dees (1998) mentions that social entrepreneurs play the role of change in the social sector by embracing the mission of creating and sustaining social value; recognize and tirelessly seek new opportunities to serve that mission; engage in a process of continuous innovation, adaptation, and learning; act courageously without being constrained by the resources available at the time; and demonstrate a heightened sense of responsibility for the people they serve and the expected outcomes. Thompson et al. (2000) indicate that social entrepreneurs are individuals who realize where there is an opportunity to meet some unmet need in the welfare

system that the state may or may not be able to meet, and who marshal the necessary resources and use them to make a difference.

Social entrepreneurs can be defined as people who use business principles to solve social problems (Sheldon et al., 2017). These entrepreneurs are identified by very special traits: special leadership skills, passion for realizing their vision, and a strong ethical fiber (Mair and Marti, 2004). Puia and Jaber (2012) identified four different types of social entrepreneurs based on their source of capital. The first type works with large corporations to raise funds for social problems. The second type of social entrepreneur sells products or provides services with market rates in mind, as there is added social value in the product. The third group uses traditional sources of capital. Finally, startups with a social mission convey the fourth group of social entrepreneurs.

Entrepreneurship ecosystems have a direct role in supporting entrepreneurship and startup creation, accentuating the position of seeking external business opportunities using new business models and knowledge spillovers enabled by new digital frontiers (Autio et al., 2018; Spigel and Harrison, 2018). Thus, entrepreneurship ecosystems have been established in a concept for the economy to move towards recognizing the role of entrepreneurship as a mechanism for business value creation (Audretsch et al., 2019). Although entrepreneurship ecosystems can be represented as a straightforward formation of interacting and interrelated layers, it remains a complex adaptive system (Phillips and Ritala, 2019). Based on this complexity, it has become crucial to recognize that, through these environmental and entrepreneurial interactions, each ecosystem becomes coherent while maintaining its unique diversity (Spigel, 2017). Sustainability must become a goal for entrepreneurship ecosystems to reflect their viability to stimulate dynamic interactions between micro and macro levels to enable a fully functional ecosystem (Cohen, 2006).

Isenberg (2010) refers to social entrepreneurship as the fertile ground that nurtures and sustains entrepreneurship and notes that government entities and the private sector, for-profit and not-for-profit, must be involved. Spigel (2015) adds that the entrepreneurship ecosystem is the combination of social, economic, political and cultural elements that coincide in promoting development and entrepreneurship. Spilling (1996) mentions that the Social Entrepreneurship Ecosystem (SEE) is diverse and complex; where, both actors, functions and environmental factors interact to determine the entrepreneurial performance of a community or region. Neck et al. (2004) relates the components that have evolved in the SEE; the role of project incubators, formal and/or informal support networks, the role of universities in innovation and knowledge generation and the training of human talent, the predominant role of government programs and legal and political support that stimulate social entrepreneurship, sources of seed capital and support, the availability of human talent, and the role of large companies and their social conscience. Currently, some recognizable elements in a social entrepreneurship ecosystem are social entrepreneurship accelerators, social enterprise incubators, associations focused on the creation of the entrepreneurship ecosystem, government institutions designated to support and mandate social enterprises, events that promote and make social enterprises visible, mechanisms or media that enable social entrepreneurship, general mapping and updating of the state of the social entrepreneurship ecosystem, and the entrepreneurship ecosystem directory.

3. Methodology

In accordance with the proposed research objectives and interests, the research was designed under a mixed approach with a sequential design with dominance of the qualitative approach over the quantitative one. The qualitative component was approached from the interpretative-hermeneutic perspective and the quantitative approach was descriptive cross-sectional. The research had three steps: the first focused on evaluating the level of articulation and development of the actors involved in social entrepreneurship in the city of Neiva; the second was analyzed the strategies implemented in success model in social entrepreneurship; and the last, was established guidelines to strengthen social entrepreneurship in the city.

The study focused on the actors of the social entrepreneurship ecosystem, mainly social entrepreneurs, private and public institutions and recognized experts in this field. A database of the Municipality was taken up to identify 35 social entrepreneurs. The 8 experts were selected by intention sampling, starting with the review of profiles of potential participants, guaranteeing the participation of experts from all perspectives.

The research used and combined different data collection techniques. Three instruments were used for the data collection phase. A questionnaire that was composed of three sections, the first related to entrepreneurship data, the second with its structure and the third with the relationship with support programs. The questionnaire was validated by expert review and applied through a virtual link which routed to a Google form. For the interviews, a semi-structured questionnaire with open-ended questions validated through consultation with experts was designed. The interviews were conducted remotely through GoogleMeet due to the health emergency caused by the COVID-19 pandemic. The last technique used was the focus group carried out through GoogleMeet which allowed to discuss the findings of the study.

The data analysis was approached from the mixed method. The qualitative analysis of the data was complemented by the results obtained from the questionnaire applied. This analysis was carried out from an interpretative - hermeneutic approach, comprising two phases: (1) descriptive phase and (2) interpretation phase. After the interviews and the focus group, the transcription was performed in Microsoft Word®. We proceeded with the reading of the interviews making the respective citations and annotations according to the categories of study. Data were approached using the deductive and inductive method; the first allowed to analyze the data from the categories established in the study, and the second allowed to examine the data to look for patterns that establish emerging categories. Questionnaire data were tabulated in Microsoft Excel®. Descriptive statistical analysis was performed to the data using frequency distribution for categorical data and calculating measures of central tendency and dispersion for discrete variables in SPSS®.

4. Results and Discussion

The enterprises surveyed focused on product commercialization, sports training, promotion of art and culture among children and young people from vulnerable populations, and audiovisual services. As of the date of the survey, 40% did not have a current commercial registry. These enterprises have 40% of their collaborators legally employed; the rest are employed as volunteers. Only 12% of these jobs have the respective social benefits and employer contributions. Regarding the academic background of the people involved, high school and undergraduate education prevails. It was found that only 1 enterprise has the participation of a higher-level association. Similarly, it was found that the ventures have received few contributions from external institutions, only one has received financial support and only half of them have participated in advisory and training spaces. These social enterprises were clearly born out of defined problems and it is recognized that the operation has contributed satisfactorily to the solution of the problem. Again, the low participation and support of external institutions is highlighted, but there is an articulation among the entrepreneurs that allows the strengthening of their activities. The social enterprises report that they have obtained economic benefits that have financed their operations and achieved profits.

The experts in social entrepreneurship and entrepreneurship projects consulted believe that entrepreneurs "are well-meaning people, who consider entrepreneurship a way to meet opportunities" (Expert 2),

they are people who have a certain leadership towards exploring new environments, Neiva entrepreneurship is very multifaceted (...) but basically, they are oriented towards subsistence ventures due to the issues that arise of employability in the region leads to Neivanos and opitas having to undertake according to their needs (Expert 5).

Most of the experts consulted agree that the community is unbalanced in terms of scale. "There are not enough entrepreneurs, projects and startups at different stages of growth. Most startups in

Neiva are at a very early stage and are forced to relocate once they start gaining traction" (Expert 7). A more diverse set of players and companies is desired. This relates to Stam and Spigel's (2016) theory that a thriving ecosystem depends on a diverse community. Stimulating the emergence of a more diverse community needs the help of policy. It is the government that should put incentives in place to reach out to a more diverse stakeholder group, as it is clearly lacking.

It was possible to recognize several groups that make up the Social Entrepreneurship Ecosystem, from the attitudes of the social entrepreneur to the organizations that facilitate it. Some social entrepreneurs indicate that the government is responsible for providing the right environment, but there is a lack of good leadership and adequate policies. Therefore, for the city of Neiva it is of great importance to communicate clearly why and when to act. Another group of social entrepreneurs is willing to collaborate much more than they currently do, but lacks the opportunity to come together, which is considered an essential component of the ecosystem (Feld, 2012).

There are other groups that consider themselves left to their own devices, needing someone to guide and help them. This group has many desires, of which their main need is a closer community, which should lead to a stronger sense of community, as they currently experience a lack of community atmosphere and miss volunteer counselors and mentors. This group presents a predominant ecosystem problem, which seems to be the biggest challenge in Neiva. The challenge will be to create a structure that is broadly supported and serves the needs of all stakeholders. The fourth group does not want a platform that fosters knowledge sharing, nor do they seek more opportunities to stimulate collaborations. They indicate that the greater the number of participants, the greater the complexity. Although many see articulation as the solution to almost all governance problems, networks formed by different types of stakeholders can also be unstable, diffuse and opaque (Sorensen and Torfing, 2009). This research shows that these networks of public and private stakeholders can also contain people who do not even want to collaborate, simply because not everyone is interested in contributing.

Many projects are driven by survival rather than opportunity. "Currently, entrepreneurship is driven by survival needs. Serious incentives are needed to move entrepreneurs from positions of desperation to positions of positive social impact" (Expert 4). Others speak of entrepreneurs' lack of creativity.

In addition to a balanced group of stakeholders in terms of scale and occupation, factors such as mutual trust, disappointment and frustration are also important. We found widely varying views on mutual distrust, disappointment and frustration present in Neiva. To achieve a collaborative environment in the ecosystem, a shared sense of purpose, trust and commitment is necessary. Expert 3 states, "We have to work together in a coherent way. Our purpose is to strengthen the ecosystem, improve outcomes for entrepreneurs and create jobs for ecosystem players."

Despite a strong common purpose and the general willingness of Neiva actors to collaborate with others, the degree of genuine sharing of knowledge, ideas and contacts is too low. This is the result of a recurring theme raised by all stakeholder groups: the ecosystem is present but fractured.

Potential collaborations start with a meeting place, physical or online. Currently, events are organized, but they fall short of their full purpose: "Of course there are events, but many of them in Neiva tend to attract the same people, while there are thousands of new faces that could participate instead" (Expert 8). Expert 5 adds, "We need to diversify to include those who are in a position to give us access to funds and new markets. We need to create avenues for networking between investors, policy makers and other ecosystem builders." Currently, most events do not produce new relationships. As a result, bubbles emerge in networks that prevent unexpected collaborations and innovations from occurring.

Stam (2018) mentions that face-to-face interaction is vital to any sense of community in the U.S. For this, true governance networks need to blur the boundary between state and society and bring together public and private actors through collaborative governance processes. When the city of Neiva further encourages this type of governance, opening possibilities for co-governance, the ecosystem would benefit greatly.

Almost all agree that it is necessary to facilitate the process of articulation and exchange of ideas and experiences. Articulation occurs and should occur naturally in the EES. Collaborative action will be difficult to carry out if shared objectives and the logic of action are not made explicit (Agranoff and McGuire, 2001). Therefore, it is necessary to direct interactions within networks. As to exactly how this should be facilitated, the views of stakeholders in the Neiva ecosystem are widely divergent. Only a few can clearly articulate what they want to happen in this regard. Without proper network management strategies, it is very difficult, if not impossible, to achieve interesting results in these complex interaction processes. Currently, the management of the Neiva network affects the establishment of a strong ESS and it is not possible to base concrete ideas on what is considered correct and adequate network management. It would be very useful to conduct further research to deepen and obtain more information in this regard, so that policy makers and practitioners better understand how to facilitate the articulation of entities.

5. Conclusions

The dynamics of articulation address the different perspectives regarding the combination of communities. The results show that most groups see room for improvement. All perspective groups agree that the scale of enterprises is unbalanced, with hardly any creative innovators and too many small enterprises, many of which are created on "survival" impulses rather than being opportunity-driven. Consequently, emerging projects need leverage from larger companies and institutions; established companies need innovative and flexible start-ups for creative solutions; close knowledge institutions are needed to produce capable and skilled entrepreneurs. In addition, there is a lack of actors filling additional roles, such as mentoring and coaching, as well as a strong presence of effective and well-integrated accelerators and incubators.

According to the results, almost all groups agree that the process of articulation and exchange of ideas and experiences should be facilitated. The ecosystem is present and structures exist, but the articulation and interactions between these structures are limited. Existing networks, events and centers need to be better managed to take advantage of potential knowledge spillovers. Therefore, one of the biggest challenges seems to be the quest to facilitate interaction processes in an adequate and effective way.

The social entrepreneurship strategy offers a strong option, energizing the way for people to be self-generators of economic options, growth and social impact; universities must contribute and energize a cluster or ecosystem that strengthens social entrepreneurship, in synergy with the business guild and new public projects.

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