

SOCIAL ENTREPRENEURSHIP AS COMPETENCE FOR FOUNDERS OF SOCIAL ENTERPRISES IN ROMANIA AND THE NETHERLANDS

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1. Introduction

Social entrepreneurship is currently at an early stage of knowledge development, both on the European Continent, as well as internationally. To a large extent, studies originate from theory, are based on small-scale individual case studies or have identified social entrepreneurship based on an incomplete definition. (Dees J.G.,1998), (Weerawardena & Sullivan Mort, 2006), (Stevens, 2008). In addition, the existing literature is the contribution of professionals and scholars from various fields, not-for-profit, for-profit, governmental or a combination of the three, thus a unified definition has not yet emerged. (Short et al. 2009). This creates more confusion and less real focus on the opportunities that the field has to offer.

A way to solve this confusion in the area of social entrepreneurship research has been to formalise the existing literature as part of general trends. Such efforts have resulted in descriptions of social entrepreneurship in Schools of Thought, following geographical criteria. A first classification identifies two major schools, each on one side of the Atlantic: the European and the American School. The European School is dominated by works done in the EMES - European Research Network, whereas The American School is divided into the Social Enterprise School of Thought and Social Innovation School of Thought. (Bacq&Janssen,2008). A second classification can be added to the three schools mentioned above. This classification distinguishes on the European continent the UK approach and the EMES approach, which results in a total of four Schools of Thought in social entrepreneurship research (Hoogendoorn et al., 2010).

In America, the Innovation School values the individual (social entrepreneur) as a person with exceptional traits as well as innovation that is needed to bring social change. The Social Enterprise School is defined by organizations belonging to the non-profit sector, that use earned income (market based) strategies while complying with a non-distribution constraint.

On the European continent the EMES School emphasizes the social enterprise and a group rather than individual governance of this type of organization. The last, and not least, UK approach, presents itself as a hybrid between the EMES approach, , and the Social Enterprise School, by its community emphasis and the principle of reinvesting the surplus in the business¹ (Bacq & Jassen, 2011, Hoogendoorn et al. ,2010, Dees & Anderson, 2006.) However there is one element that both Continents

¹¹ For further information please see www.socialenterprise.org.uk

share: the focus on a *social enterprise* (European School and Social Enterprise School in America). They differ mainly in the attention given to defining the person behind the concept and the process of social entrepreneurship.

The American tradition concerning social entrepreneurship has diverted almost equal attention to all three parts, whereas The European School still has to focus on the process or even on the individual behind the concept.

Several authors have tried to explain the phenomenon's occurrence into different entities, although it is still largely related to the non-profit sector and civil society organisations. Hoogendoorn et al. (2010), Thompson. & Doherty (2006), Ashoka (2006), Dees (2001), Austin et al. (2006) Boschee & McClurg (2003), Dees (1998), .

Adding to the mentioned conclusions in all these Schools of Thoughts, Mair & Marti (2006) consider that: "Social entrepreneurship research replicated to a certain extent the empirical and theoretical development of entrepreneurship. Researchers focused on the social entrepreneur's personality, the peculiarities of his personality, the particular behaviour in the process involved, or on the social opportunity to highlight its entrepreneurial nature and thus differentiate it from other phenomena". (Mair & Martí, 2006, p. 37). Such efforts, related to the difference within entrepreneurship also belong to authors like Austin et al. (2003), Dorado (2006), Mair & Martí (2006), Roberts & Woods (2005), Lasprogata & Cotton (2003), Cochran (2007). However, recent studies concluded that the difference in social entrepreneurship merely is the motivation, considering social entrepreneurship as a social motivated venturing action and the social mission as distinctive "visible" concept. Bacq & Janssen (2011) Hogendoorn et al. (2010,2013).

In this context of both shared and distinct views on social entrepreneurship, we propose a new view on the concept, that in our opinion will enrich the European School of Thought, and not only. We see *social entrepreneurship as a competence for founders of social enterprises in the context of the third sector in Europe – The Social Economy Sector*. To define this view we used the concept of social enterprise, defined by the EMES School of Thought, as input on what we consider the *social entrepreneurship multidimensional competence*. In other words, the existence of a social enterprise is, according to us, the result of the possession of the social entrepreneurship competence by the founder(s) of this type of organizations.

And if we consider a social enterprise as a venture that is similar to a commercial venture, with the difference in the social mission and originating in the social sector, we can explain the defining of this new view further. The definition and contextualization of the entrepreneurial competence originates in the process of venture creation. Entrepreneurial competences have already been linked to successful entrepreneurship (Mitchelmore & Rowley, 2010) Bird, (1995), contribution to profitability (Cushion,1996) and to growth (Gray, 1997).

The entrepreneurial competence is already described as "Sense of initiative and entrepreneurship" in the "Key Competences For Lifelong Learning in the European Reference Framework" (2006). The use as key competence is gaining ground in both adult and higher education as a necessary "skill" for a successful life. The idea of defining social entrepreneurship as competence can, in that perspective be seen as a logical extension of the views already presented before.

Using these views as starting point, the aim of this paper is to contextualize and define this competence for founders of social enterprise in the context of the social economy sector with as focus on two European countries: Romania and The Netherlands. Our effort is guided by two main research ques-

tions: “What is the structure of the competence of social entrepreneurship in Romania and the Netherlands?” and “What are the similarities and differences between the facets of the competence in the two countries?”

We based our efforts to define this new view two countries in the European Union, which are in the early stages of social entrepreneurship development and research: Romania and The Netherlands.

First, an analysis of secondary data was done. We made an inventory of works on social entrepreneurship in the two countries, with an extended focus on the social economy sector, in which we also concluded which of the mentioned School of Thought is dominating at the moment in the two countries.

Secondly, we looked at which organizations in the so called “third sector”, can comply to the largest extent, to the EMES criteria for social enterprise, as further output for the defining of our competence, using an input-output approach to describe our view.

Thirdly, after theoretically having analysed what the output is of the social entrepreneurship competence in Romania and The Netherlands, we present the result of qualitative inquiries conducted in the two countries with experts. As a result of this qualitative inquiry, the theoretical profile of the competence of social entrepreneurship for founders of social enterprises in Romania and The Netherlands can has been formulated, and underline what the differences and similarities are in the two countries involved in the study.

This paper brings two main contributions. The first is a theoretical exploration of the EMES criteria in the social economy of the Netherlands and Romania. The second contribution is the building of a theoretical ground for defining social entrepreneurship as a competence based on theoretical and empirical investigation. As first steps to define this new view in the European context, based on a European fundament, this paper can be seen as starting point for future research.

2. Conceptual thinking model – Social entrepreneurship as competence

In our attempt to create a common definition for social entrepreneurship we start from the conclusions of earlier research done by authors like Austin et al. (2003), Mair & Martí (2006), Cochran (2007) Bacq & Janssen (2011). They already highlighted similarities and differences between (commercial) entrepreneurship and social entrepreneurship, via process and/ or the person. As mentioned before, a clear distinction between those two is most often made by the social mission and social motivation for social entrepreneurship (Mair & Martí, 2006; Bacq & Janssen, 2011). However, Hoogendoorn et al (2010) considers that despite all debate, social and commercial entrepreneurship are very much alike. A second argument in our proposed new view, of social entrepreneurship as competence, is the common ground that the “social enterprise” offers, across all Schools of Thought, regardless of the specific definitions. Building on a set of specific criteria such as the EMES view, can bring social entrepreneurship closer to a measurable and maybe common definition.

Our third working argument arises from the widely accepted view of social entrepreneurship in the so called “third sector” (Leadbeater, 1997; Neck et al., 2009; Sharir & Lerner, 2006; Spear, 2006; Thompson & Doherty, 2006; Ashoka, 2006; Austin, et al., 2006). This is a clear defined sector like for instance the social economy sector in Europe, a hybrid form of third sector itself, and this definition creates a solid ground to define the context a social entrepreneurship competence.

In the following sections we first focus on the context and the output of the conceptual model. As our view builds on existing views and knowledge about several facets, we create a solid ground for defining the input. After defining the facets, we further individualize the concept for the two countries included in this study, Romania and the Netherlands.

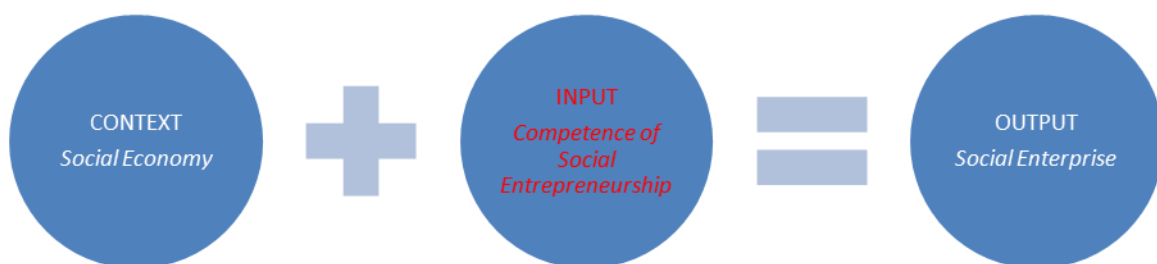


Fig. 1.1 The conceptual model of the research

2.1. The Context of the competence. Romania and the Netherlands.

Current models of competences, mainly multidimensional models, are built by different authors based on the influence of their context. Fischer (1993) states: “people do not have competences outside of context” (Fischer et al., 1993, p. 113). Competences become a function of the context in which they are applied and they also become the meaning that the employee gives to his/her work through expe-

rience (Winterton & Delamare-Le, 2005).

The so called “social economy in Europe” is the lexical and content equivalent of the concept of third sector, civil sector, civil society or even the non-profit sector in the international literature. The term social economy has been used as official term in the European Union since 1989, including four types of organisational and entrepreneurial forms: cooperatives, mutual organisations, associations and foundations (CMAF) (Westlund, 2003, p. 1192).

2.1.1. Romania and the Netherlands: Can we talk about Social Entrepreneurship ?

Just like in the case of the international literature on social entrepreneurship, the state of the research in countries like Romania and the Netherlands is the contribution of professionals and scholars from various fields, resulting in no unified definition (Short et al, 2009). We agree with Hoogendoorn et. al (2010) that social entrepreneurship is still a “multi interpretable concept with a widespread label”.

The two European countries. Romania and the Netherlands, that are included in this research are no different. We argue however that both countries belong to the European continent and structures, and the EMES view also creates a good start for a common definition.

We first focused on the state of research and practice of social entrepreneurship, as a mean to acknowledge existing efforts as well as to contextualize the EMES view on the concept.

The following section provides an overview of what social entrepreneurship is in the two examined countries, We used secondary data analysis in order to explore the “what is” and which School of Thought the practice and theory regarding social entrepreneurship is dominating. Our context was the third sector – social economy in both countries.

Romania and the Netherlands share the membership to the European Union. They also share the little exposure and visibility of the concept, as well as the phenomena of social entrepreneurship and social enterprise.. We made some observations regarding social entrepreneurship in both countries

- No official definition for social entrepreneurship and social enterprises has been developed at national level by governmental institutions or researchers
- To define which organizations are social enterprises the EMES perspective has not been applied yet.
- Efforts to bring the concept to light are very disperse and at an infancy stage.

The sources that provide information about social entrepreneurship in both countries include various segments. First of all, there are visible support organizations that promote the development of social entrepreneurship and enterprises. For Romania organizations like NeSSt guide the development of social enterprises, whereas the website www.socialenterprise.nl has established itself as the main source for knowledge and examples of practitioners from the Netherlands.

There are also a number of international organizations and networks that include members from the two countries or are supporting organizations that originate in Romania or The Netherlands. Such examples are The HUB, Schwab Foundation, Social Innovation Europe, Social Innovation Exchange or Ashoka. For most of these organizations, the focus is mostly on individuals, thus social entrepreneurship by focusing on a mindset by using an American School of Thought. Also, these organizations have an international focus and a clear cut definition to identify individuals and sometimes organizations (Alter,2006; Dees, 2008; Austin et al., 2006) and are mainly US based. Definitions include also concepts like social innovation, sustainable social venturing, social innovation and social venturing.

Therefore examples of what can define social entrepreneurship through hybrid concepts, and practise, are becoming more visible for the countries in our research.

The concept of social entrepreneurship in Romania and the Netherlands is gaining also some visibility by research efforts from both the academic and institutional sectors. As contributors from the research side, we can mention the efforts of GEM (Global Entrepreneurship Monitor) in 2009 and the KMU Forschung Austria (Study for the European Commission on Practices and Policies in the Social Enterprise Sector in Europe ,2007). These reports have been highly cited and used as data sources for starting research in both countries. While GEM focuses on entrepreneurship and social entrepreneurship at an individual and organizational level, the second study focuses only on organizational level, mainly work integration social enterprises types. This study from the European Commission identifies the main features of state policies in regard to promoting the social economy, and *social entrepreneurship*. The approach is a more legal oriented one, focusing on laws and regulations that regard these organizations as well as the status quo at a national level.

These are the only two known initiatives that include in their research both countries that we are studying. We have synthesized the results for the two countries with a brief explanation².

In the Netherlands, there are still debates on a legal definition for *social entrepreneurship*. The main existing form contains *social enterprises* and *protected units*, under the label of organizations that work for the reintegration of disadvantaged and disabled people to the labour market.

In Romania, the high level of social protection and professionalization are the main features. *Social entrepreneurship* in Romania exists in the form of special types of *social enterprises*, *protected units* or *work integration social enterprises (WISE)*. Their aim is to guide disabled persons in finding work, in order to sustain themselves. As opposed to The Netherlands, Romania has a less social orientation and a low level of social inclusion, which could explain the growing number of *protected units* as well as the intense movement of the social segment.

A summary of the result of the European Commission’s study is presented in the table below:

Category name	Romania	The Netherlands
Number of organizations	41	24
Legal form	Protected unit	Social enterprise/Sheltered workshops
Organizational form	Associations, foundations, federations, commercial unit with a social aim	Foundations, small enterprises (BV), public institutions or public listed companies (NV), associations and cooperatives
Aim	Social integration of people with disabilities and other disadvantaged categories	Social reintegration of people with disabilities and ones that have become alienated from the work field

Table 2.1. - *The social enterprises in Romania and the Netherlands Source: European Social Economy Sector – European Commission of Trade and Industry, 2007*

The GEM report looks at social entrepreneurship, using three types of country clusters: factor driven economies, efficiency driven economies and innovation driven economy. In this study, the reference is the degree of economic development (GDP per capita).Countries that are included in the study are

² For further information please see

part of one of three clusters. Out of these three clusters, the highest level is innovation driven (The Netherlands is part of that cluster) and the lowest is factor driven. Romania is part of the efficiency driven economies, with of follows the path to innovation driven.

The definition used in the GEM research for the study of *social entrepreneurship* is “people or organizations involved in activities that have a social mission” (Bosma & Levie, 2010, p. 44), and this is a common vision of several authors (Mair & Marti, 2006; Van de Ven, Sapienza & Villanueva, 2007, Zahra et al., 2009).

The report identifies also four categories of social initiatives that comply with their definition: nascent social entrepreneurial activity, social entrepreneurial activity in new organizations, social entrepreneurial activity in established organizations and social entrepreneurial activity in early-stage organizations. The research is especially interesting when looking at what kind of organizations support social entrepreneurship (as defined by the GEM) in the two countries. A summary of the result of the research is presented in the table below.

Types of social entrepreneurship	Romania	The Netherlands
Traditional NGO (Cat.1)	6%	13%
Not-For-Profit Social Enterprise (Cat. 2)	0%	25%
Hybrid Social Enterprise (Cat. 3)	16%	44%
For-Profit Social Enterprise (Cat. 4)	24%	10%
Social Activity for For-Profit Motives	44%	7%
Other	10%	1%

Table 2.2. Prevalence of SEA Types by Country. Source: GEM Report, 2009, Bosma & Levie, 2010,

The results for The Netherlands show a high degree of professionalization due to the existence of social enterprises in a large percentage of the social entrepreneurial activity (Bosma & Levie, 2010), as for Romania the number of already established organizations with social purposes is lower, and more spread as activities (Bosma & Levie, 2010).

In the next section we will present by country the different forms of social entrepreneurship that have been identified as part of the analysis of secondary sources. Most of these sources come in the form of working papers, academic papers and reports. Here we also conclude on what is so far the dominant School of Thought in the specific country.

2.1.2. Social Entrepreneurship in Romania

Once Romania joined the European Union and the concept of social economy emerged there as well, a series of steps to identify both the social economy players (according to the European vision) and social enterprises have been noted. In Romania, social enterprises can be classified into companies incorporated and controlled entirely by NGOs or companies operating in authorised protected units (Civil Society Development Foundation, 2011). Recent steps to create a law on social economy in Romania, include new legal categories associated with social enterprises: the “social cooperative” and the “social integration” enterprise. Until now social enterprises still are partially defined in legislation but are not officially recognised along with other forms of social economy organisation. Such a normative law is “GD 1175/2005” on approving the National Strategy for the protection, integration and social inclusion of disabled people during 2006 – 2013. This document attempts to define social enter-

prise in terms of an organisational form assimilated to social economy: “authorised protected units.” These organisations are present in Romania and are intended solely for labour market inclusion of persons with disabilities.

Another important aspect in defining social enterprises in Romania is of legal origin, namely the possibility of not for profit organisations (associations and foundations) to establish commercial enterprises and/or to undertake economic activities to support their work. This approach, which is very close to the original one of the American School, greatly expands the existence of the social entrepreneurship competence result in Romania, if it would not be limited by the context of social economy and the EMES criteria to define a social enterprise.

Both international and national literature focused on social entrepreneurship as social enterprises in Romania is built both on the academia and the practitioners’ visions. Although the number of studies is still low, the following study of literature and secondary and tertiary sources revealed some shaping of social enterprises in the Romanian geographical space.

Name of study / Institution	Criteria for identifying social entrepreneurship	Types identified	Number of organisations identified
GEM, 2009 <i>Global Entrepreneurship Monitor</i>	Persons or organisations involved in entrepreneurial activities with a social mission	Organisations with strong social / environmental missions and an income generation strategy	2.5 % of the population
SELUSI , 2011 <i>Survey of Social Enterprises in Europe</i>	Organisations with social, economic purpose and an entrepreneurial approach	Organisations with operational models of income generation	74 organisations
European Commission, 2007 <i>Study on Practices and Policies in the Social Enterprise Sector in Europe</i>	Entrepreneurship, social mission and non-distribution of profit	Cooperatives for the disabled Authorised protected units	41 organisations
NessT 2007/2010	A business, for-profit or not-for-profit, created to solve critical social issues in a financially sustainable manner.	Financially sustainable business	10 organisations

Table 2.3.- Results of studies on social enterprises in Romania

- SELUSI study (2011)** The SELUSI study started under the guidance of the European Union has meant to identify social enterprises in several European countries, including Romania. Using the “snowball” method, researchers in the project have identified between November 2009 and March 2010 a sample of 74 organisations that can be called social enterprises. The main criteria for classification were: social purpose, economic purpose and field of action. The sample of this research is based less on EMES principles and more on transatlantic models (Adler’s operational model, 2008). The three main operational models for Romanian organisations were: subsidizing services, entrepreneurial support and placement of personnel. However, it should be noted that, for a large segment of the sample, the reported operational model was coded as “others” – unclassified (approximately 59%). Furthermore, in terms of economic criterion, the selection criterion is that at least 5% of income has to be self-generated. We argue that genuine social enterprise are only the organisations established for that purpose and that generate income and profit, with a clearly defined social purpose in the mission,

without challenging the real contribution that the study brings by bringing to light these organisations. (Annex 2)

- **NesT (2007 / 2011)** NessT is a not for profit organisation whose mission is to support the creation and development of social enterprises in countries on emerging markets. Since its establishment in Romania, the organisation has supported the creation of 10 social enterprises. The criteria on which the identity of the social enterprise is based are those of the American School vision of creating a business under the for-profit or not-for-profit form to support the social mission. Social enterprises' visibility appears in NessT's vision after going through the steps they launched to support the creation of such organisations.

In the case of Romania, we see that research until now is dominated by definitions belonging to the American School of Thought, by authors like Alter (2007) or Sapienza & Villanueva (2007), Zahra et al., (2009). However the structure preferred by most of the organizations are similar to the WISE and EMES described types of organizations.

2.1.3. Social Entrepreneurship in the Netherlands

Social entrepreneurship in the Netherlands is becoming slowly more visible, due to efforts of several institutions like socialenterprise.nl or SSO (Stichting Sociaal Ondernemerschap). The Netherlands is also one of the countries with the most developed social sector in Europe and the world (van den Berg et al, 2007).

Similar to the observations we made for Romania, the Netherlands's social economy sector offers individuals the possibility to establish commercial enterprises and/or to undertake economic activities to support their work as association and foundation. A foundation (Stichting) can be the owner of shares in a BV (Dutch limited liability company).

Name of study / Institution	Criteria for identifying social entrepreneurship	Type identified	Number of organisations identified
GEM, 2009 <i>Global Entrepreneurship Monitor</i>	Persons or organisations involved in entrepreneurial activities with a social mission	Organisations with strong social / environmental missions and an income generation strategy	1.53 % of the population
McKinsey&Company, 2011, <i>Opportunities for the Dutch Social Enterprise Sector</i>	Company with the primary goal to deliver social value in a financially sustainable and independent way		100 organizations
European Commission, 2007 <i>Study on Practices and Policies in the Social Enterprise Sector in Europe</i>	Entrepreneurship, social mission and non-distribution of profit	Social enterprise/Sheltered units	24 organisations
Realize!, 2007/2008, <i>Onderzoek naar Sociaal Ondernemerschap in Nederland</i>	Searching for solutions for a social issue, in a sustainable and innovative business. Financial gain is a prerequisite, but the real success is measured by improving social infrastructure and increase in sustainably managed sources.	Individual company, foundation, small enterprises (BV), association,	74 respondents

Table .2.4.- Results of studies on social enterprises in The Netherlands

One important fact about social entrepreneurship in The Netherlands is the initiative of Chamber for Social Entrepreneurship, in 2007, an initiative no longer in place. This initiative included 150 organiza-

tions, they were however not legally defined as social enterprises as such. However we could not find any continuation of this initiative, more than citations by a few Dutch authors.

- **The Realize! Study (2007/2008)** is the common initiative of three organizations from the Netherlands: Realize!, is a research and consultancy initiative specialized in helping small and medium-sized enterprises (SME's) organizes for fast growth; The HUB, an incubator for social innovation and Stichting Sociaal Ondernemerschap (Foundation for Social Entrepreneurship) is a network and support organizations that promote social entrepreneurship. The study wanted to answer three main questions: who are the social entrepreneurs?, where can they be found? and what do they need to grow?. The study was based on a self-administered online survey resulting in 74 valid respondents. The study can be linked with the Social innovation School of Thought.

- **McKinsey & Company (2011)** This study is focused around social innovation and social impact. In the research report the authors do not give clear indications on the methodology of the study, except the note that they conducted a survey among approximately 100 social entrepreneurs covering financial statements of 100 social enterprises. What is noticeable about the study is the specific focus on the organization and the social value. This focus places this research initiative in the Social Enterprise School of Thought. It underlines the potential of this new field to economic growth as well as support measure that can be taken.

In the Netherlands, research until now has mainly evolved around views that belong to the North American school. What is also noticeable is the higher number of organizations identified compared to Romania. However, both Romania and The Netherlands are the hosts of special types of organizations, the work integration social enterprises, not present on the American continent, As already presented in small number in the research done by the European Commission in 2007, these WISE organizations represent the most common reference to social enterprises in European countries from the EMES perspective.

2.2. The Output – Social enterprise

In Europe, the concept of social enterprise has emerged in the 90s, when new forms of (social) cooperatives was approved as for instance the ones existing by law by the Italian government. These initiatives for “social enterprises” or cooperatives were followed by models from countries like Britain (social enterprises in the Blair government guidance), France (collective interest cooperatives) and Belgium (companies with social purpose). Due to the diversity of models and definitions that these organisations have in EU countries and the continent, we consider that their presentation would not add value to the approach, following EMES academic vision to define the work terms of the research. Moreover, social enterprises are seen by authors from Europe as a bridge between two “spheres” of thinking in non profit literature: the cooperatives and traditional cooperatives (associations, foundations) approach (Defourny & Nyssens, 2006).

Two definitions of social enterprises are widely accepted and cited in Europe.. The first belongs to the British government, from 2002, in the report “*Social Enterprises: A strategy for success*”, It defines a social enterprise as “a business with primarily social objectives whose surpluses are mainly reinvested to achieve the purpose of business or in the community at the expense of profit maximisation for associates and founders” (DTI, 2002).

The second definition belongs to EMES (European Research Network), from 2006, which considers

social enterprises as “organisations with an explicit purpose of benefiting the community, initiated by a group of citizens and in which material interests for the capital invested is subject to limitation. They put a high value on independence and on the economic risk associated with continuous economic activities” (EMES - European Research Network, 2012). Unlike the British definition, the EMES definition takes into account different national traditions and sensitivities present in the European Union as a result of extensive dialogue between researchers belonging to different disciplines and countries.

These criteria (economic and social) find their origin in the European Commission statement on the Principles of Social Economy, found in the Charter of Principles of Social Economy (European Commission, 2011). However, it should be noted that these indicators describe an ideal form of organisation, serving researchers to place themselves in the “galaxy” of social enterprises (Defourny & Nyssens, 2006).

The dominant form of social enterprise in Europe is represented by WISE – work integration social enterprises. These organisations are concerned with addressing issues of long-term unemployed and vulnerable or disadvantaged groups unable to find work. According to Davister et al. (2004) we find four types of social enterprises of the WISE type in Europe. These are: enterprises offering occupational integration through permanent subsidies support, enterprises that provide permanent employment by own subsidy, a third form – social reintegration of marginalised groups through productive activities, and the final form – enterprises providing employment traineeships under a form of transition.

We can therefore speak in Europe of social entrepreneurship in the form of social organisations (enterprises), in forms associated with:

- *Social enterprises* in Italy, Belgium and the UK, organisations with an explicit social purpose, in any legal base form
- *Social cooperatives*, in France, Portugal, Spain and Greece, cooperatives focused on a type of vulnerable group
- *WISE* (Work Integration Social Enterprises), in the Germanic and Nordic countries, focusing on the reintegration into employment of persons with disabilities

Since the legislative, cultural and political elements have a great influence on the definitions and forms of existence of “representatives” of social entrepreneurship in Europe, the task of finding a common definition for the continent was started by the earlier mentioned EMES Research Network,. Criteria defined by them govern research in the social economy in Europe,

2.2.1. EMES in Romania and The Netherlands

Within this context, we will focus on the ideal type of social enterprises in Romania and the Netherlands. As presented in the earlier section, there are already signs of social entrepreneurship and social enterprise in countries like Romania and the Netherlands. In our search to establish the concept of social entrepreneurship as competence, we use the EMES social enterprise criteria to define what the outcome of that competence can be. This framework offers a sound and clear base for such a new perspective.

For this analysis, we use the third sector/social economy as main source for social entrepreneurship. As first step we identify the organizations that compose the social economy sector in the two countries. Next, we look at the legal definition/status of those organizations to see which of them match the

EMES social and economic criteria the most. We use as source for our analysis secondary data, in the form of reports and legal documents, in English, Dutch and Romanian The main findings are summarized in the table below (Table 2.5.).

Social economy organisations in Europe ³	Social economy organisations recognised by law in Romania	Social economy organisations recognised by law in the Netherlands ⁱ	EMES criteria Romania	EMES criteria The Netherlands
Associations	Yes	Yes	Partial**	Partial**
Foundations	Yes	Yes	Partial**	Partial**
Cooperatives	Yes	Yes	Yes	Yes
Mutual	Yes	Yes	Partial**	Partial**
Credit unions	Yes	Yes	Partial**	Partial**
Hybrid organisations - Enterprises of associations and foundations	Yes	Yes	Yes	Yes
-Social enterprises*	No	No	-	-
-Work integration	Yes	Yes	Partial**	Partial**

* Not defined by law or recognised in some form

** Does not comply with at least one of EMES criteria

Table 2.5. – Organizations of the social economy that can be considered complying with the EMES criteria in Romania and the Netherlands

An analysis of legal regulations of social economy actors in Romania and the Netherlands from the EMES criteria perspective therein revealed the possibility of social enterprise status under any of the forms of social economy in ideal conditions, provided that such forms as cooperatives, credit unions, mutual or work integration are to be associations and foundations as a form of organisation. The closest forms of organisation to the theoretical concept of EMES are represented by work integration social enterprises (the Netherlands and Romania) and companies established by associations and foundations (Romania).

We present in this section f two types of organizations that correspond to the criteria to the highest degree. For work integration social enterprises we focus on neighbourhood developmental organization (buurtbeheer bedrijven, *BBB*⁴) in the Netherlands and for Romania on authorized protected units (unitati protejate autorizate, *APU*), both types of organizations falling under the umbrella of work integration social enterprises.

a) A continuous activity producing goods and/or selling services. For Romania, this criterion is fully followed by companies established by associations and foundations, due to the nature of this type of organisation, to operate on the free market with services and/or products. This criterion is

³ For more details please see* DELORS,J. (2004): « The European Union and the Third Sector », in Evers,A. & Laville,J.L., op. cit. p. 206-215., www.socialeconomy.eu.org

⁴ For further details please see Piet H. Renooy (2003) The Netherlands - Neighbourhood development enterprises, pp 236 – 251, in C. Borzaga & J. Defourny, *The Emergence of Social Enterprise*, Routledge, ISBN 0-203-16467-9 Master e-book ISBN

also followed by the mentioned APU, which are defined by law as private organisations involved in economic activities. What distinguishes these from an ordinary company is that at least 30% of employees are disabled. In the Netherlands, the early mentioned BBB's can consider to fully comply with this criteria, offering services related to the housing of the neighbourhood as well as other types of commercial activities.

b) A high degree of autonomy. Companies established by associations and foundations meet this criterion, mainly due to their legal structure: private organisation, operating on the open market. Although there are instances in which these companies can apply for public funds, it does not cause another type of intervention in the organisation. For the second type of organisation analysed, authorised protected units, the law allows these organisations to be established by state institutions, but the analysis of these players revealed only private forms (associations, cooperatives, companies). As with companies established by associations and foundations, there is no question of state control on the organisations. The BBB's in the Netherlands also have a high degree of autonomy in regard to state interventions, as they come in the legal form of associations, foundations or companies (mostly limited liability).

c) A significant level of economic risk. It is almost intuitive that for companies established by foundations and associations risk is inherent, as they operate on the open market. For protected units, this criterion is also satisfied; the fact they employ persons with disabilities creates an additional risk on the open market, being more vulnerable. In general, the market in Romania does not preferentially respond to services and products offered by these organisations. In the Netherlands, BBB's are faced with a limited degree of economic risk, to start with. Recent developments have put many of their services on the opened market, competing on services like cleaning, baby sitting or event organization.

d) A minimum amount of paid work. Both the authorised protected units and companies established by associations and foundations are required by law to have at least one employee. These organisations may use voluntary activities, but the basic work is carried out by employees. An exception would be in the case of protected units which are based on a form of organisation of the type of association, associations not being required to have employees. However, the status of protected unit cannot be achieved without employees. In the case of the BBB in the Netherlands, research done by Renooy (2003) found a low number of full time and part time employees, around 600 across the country. These organizations also use the voluntary work in their activity.

e) An explicit aim to benefit the community. Regarding this criterion, both APUs and companies established by associations and foundations meet it by their very nature of their existence, but also by the nature of underlying organisations. This happens in the case of companies established by associations and foundations, that, when they do not have an explicit social purpose, by their nature they acquire social status through the financial support of the established organisation (associations, foundations). In Romania, these companies have to reintroduce in the founding organisation all financial surpluses achieved and to support the work of the non profit organisation. Examples among these organisations are found in sheltered homes, shops that address specific social groups and health care units for disadvantaged groups. These are some of the activities undertaken by companies established by associations and foundations. These examples reinforce the fact that companies established by associations and foundations in most cases describe a clearly defined social purpose. As for the APUs, these organisations meet twice this criterion: firstly by declaring the social purpose, as associa-

tions or companies, and by supporting vulnerable groups they integrate. Most often, the social purpose extends in the work itself. The BBB organizations in the Netherlands are constituted with the specific aim of serving the local community's needs, to enlarge the participation of the residents in the management of the neighbourhood as well as breaking the isolation of certain groups (Renooy, 2003).

f) An initiative launched by a group of citizens. For companies established by associations and foundations, legally, the criterion is reached by being based on associative structures representing the interests of a group or community. Because of the close relationship between the founding organisations and the founded organisation, it fully complies the criterion. Regarding the APU, the criterion is partially satisfied, because there are cases where this type of organisation is founded by one person, but meeting the criteria can be found in that the beneficiaries are often directly involved in the organisation in all structures. In the Dutch BBB's the set up and the running of the activities are often a result of the grouping of citizens in a certain neighbourhood.

g) A decision-making power not based on capital ownership. For this criterion, the law in Romania does not specify restrictions in the decision-making process within organisations studied. Practice however may illustrate that, in general, decisions are taken based on the involvement of all stakeholders. Furthermore, based on associative organisations, invested capital is quite low, and the basic capital decision is not significant in these organisations. In the Netherlands, the BBB's fully comply with this criterion, as the activity and decisions are based on the needs and decisions of the neighbourhood organization.

h) A participatory nature, which involves the persons affected by the activity. This criterion is largely satisfied by APUs, where, in most cases, beneficiaries are directly involved in the unit's work. In fact, one of the basic principles of APUs requires the involvement of people with disabilities in providing services and products for them. For companies established by associations and foundations, satisfying this criterion is relative because it strictly depends on the organisation's work and not on legal criteria or principles of existence (such as with the APUs). In the case of the Dutch BBB's there is also involvement of the citizens living in the neighbourhood, although this is not so common. The fact that the aim of these organizations is to serve the local community will create a strong bound with the "customers".

i) Limited profit distribution. Both for APUs and companies established by foundations and associations the law specifies the need to meet this criterion. Both organisations must reinvest most of the profit in the organisation to support the social purpose and nature of the activity. In the case of the Netherlands, although there is no clear specification for the BBB's, for most of the time the profit is used to serve non-commercial activities of the organization.

We can conclude that there is at least one type of organization belonging to the social economy sector in each of the countries in our research that complies with a large extent to the EMES "ideal type" of social enterprises. The WISE, the work integration social enterprises types of organizations seem to be the most visible form of social enterprise both in Europe as well as in Romania and the Netherlands. These types of organizations can compete on the international scene of social entrepreneurship as working models.

2.3. Input - Competence as a Multidimensional Construct

The concept of competence is debated in the literature. Competence has found its application in defin-

ing personal as well as organizational level input. From an individual perspective, competence has found its conception both management and educational domains.

The most frequently cited definitions in the literature in both fields (educational and managerial) describe competence as a task that people do or what happens in an organisation Mansfield (2004), as ability (Eraut, 2003) or capacity perform a task (Mulder et al., 2007).

Defining individual competence as behaviour, function or ability to perform are considered in existing and recent literature (Norris, 1991), (Gonczi, 1994), (McMullan, 2003). (Mansfield, 2004), (Mulder et. Al., 2007), (Sultana, 2009) and also to be too limited for today's needs. (Le Deist & Winterton (2005). Also multidimensional perspectives developed as a result of behavioural vision that included elements from the functional perspective and vice versa (Winterton & Delamare-Le, 2005). This multidimensional vision on competences also represented the answer to the shortcomings of single dimensional ones, and are today being regarded as more appropriate for individual and organisational needs. Le Deist & Winterton (2005), Cardy & Selvarajan (2006).

The holistic approach on competence appears as a multidimensional model with five interrelated dimensions. The first version was proposed by Cheetham & Chivers (1996) and includes cognitive, functional, personal, ethical competence and meta-competence. Cognitive competence is an extrapolation of what in Bloom's taxonomy is explained as the concept of knowledge, functional competence is the equivalent of skills, personal competence of attitudes/behaviour, ethical competence of values and meta-competence the equivalent of motivation and reflection. Cheetham & Chivers' (1996) model is continued by Le Deist & Winterton (2005). These last authors combine the personal and occupational competences and recreated a four-dimensional model. Three of them: cognitive, functional and social competence – are linked to acquired knowledge ("knowing that"), skills ("knowing how") and attitude ("knowing how to behave"). The meta-competence differs from the other three elements because it is the element that incorporates them, facilitating the acquisition of the other competences.

The concept of competences also have had impact in the literature on entrepreneurship, both by efforts of defining what competences are needed for entrepreneurship and venture creation (Bird, 1995; Man et al, 2002; Camuffo et al., 2012) as well as entrepreneurship as a separate competence (EU, 2010; Winterton, 2002).

The literature on entrepreneurial competence, both from the VET (vocational education and training) and HRD (human resource development) perspective, offers descriptions of what the knowledge (cognitive competence), skills (functional competence) and attitude (social competence) can be (EU, 2010; Winterton, 2002; Bird 1995). The only aspect that is not described in such frameworks is *the meta-competence*. In this situation we have referred back to the essence of the social entrepreneurship concept when compared to traditional, commercial entrepreneurship. Bacq & Janssen, (2011), Nicholls (2006), and Shaw & Carter, (2007), conclude that the two concepts differ in the motivation towards entrepreneurship. In the case of social entrepreneurship the motivation is a social and moral one, and it is related to affect change, to tackle social problems or to meet local needs (Shaw & Carter, 2007). We have considered thus to treat the meta-competence as the motivation aspect of our competence, or to be more specific as the "*drive*".

The description of the entrepreneurship competence as a multidimensional construct, was the base of this view on social entrepreneurship as competence. Building on this existing view, we have considered the multidimensional view promoted by Le Deist & Winterton (2005) as an appropriate framework to

define the competence. The authors use the earlier given definitions. Cognitive, functional and social competence – are linked to acquired knowledge (“knowing that”), skills (“knowing how”) and attitude (“knowing how to behave”). Meta-competence differs from the other three elements because it is the element that facilitates the other three.

Cheetham and Chivers (1996) define meta-competencies as the ability to cope with uncertainty as well as learning and reflection, while Le Deist & Winterton (2005) define it as over-arching input that facilitates the acquisition of output competences in the form of social, cognitive and functional competences.

3. Getting it from the Experts - defining the Input

3.1. Methodology

As research in social entrepreneurship and competence both at an international level as well as in Romania and the Netherlands is at an infancy state, we considered an exploratory approach adequate to create a solid foundation. Qualitative studies with explorative research designs have the advantage according to Snell & Lau (1994) of avoiding the dangers of imposing solutions according to a model from large Western organisations. Moreover, such an approach allows the researchers to understand the respondents' vision on the phenomenon without imposing his/her own vision (Gill & Johnson, 1991).

It helps to study a new area in great depth and provides detailed information to understand the phenomenon of social entrepreneurship, its important concepts, dimensions and interrelationships between these dimensions. Also, qualitative research seem to be more effective on entrepreneurship because it helps to explain causal links in everyday life, links that are too complex for experimental strategies (Creswell, 1994). It helps to reduce the complex phenomenon of social entrepreneurship to a few distinct variables and possible relationships (Patton, 1990). In this explorative research approach, we have chosen for a qualitative data collection method, as in semi-structured interviews and content analysis as a qualitative data analysis method.

3.2. Sampling

In the earlier sections of the paper we have concluded that the concept of social entrepreneurship in the case of Romania and the Netherlands has been made visible by efforts of researchers and doctoral students, as well as working organizations that promote the idea and concept. We have used these insides to guide our sampling process in this part of our research.

Fossey et al. (2002) believe that sampling in qualitative studies focuses on the abundance of information, therefore a proper identification of study participants is necessary. Following this idea and considering the visibility of the concept of social entrepreneurship, the sampling strategy was a **non-probabilistic / convenience** one. Of the variation of non-probabilistic techniques, the most suitable was considered the rational one (judgment or purposive sampling). Rational sampling involves choice based on the investigator's judgment of cases that will be part of the investigation. This technique is used when samples are few and selected cases are illustrative (Saunders, Lewis, & Thornhill, 2009). Although there is no possibility of generalising the results, this sampling strategy is designed to explore the concept for its further substantiation.

The time frame of conducting the interviews was April – December 2011 and December 2012 – March 2013. The research of the target group for potential experts was done on the Internet for professionals and organizations, as well as secondary resources such as studies, reports and scientific articles.

Sector/area/field	Criteria
Education and research	Author of scientific papers
Supporting and developing social entrepreneurship	Person in the management position of the institution, at least one year in the organization

Practitioners of social entrepreneurship	Person in the management position of the institution, at least one year in the organization
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Table 3.1.– Sectors and the criteria for target group - experts

The criteria which usually limits the sample in age and gender was not considered as critical for selection. The sectors considered for sample selection are: education and research, professional organisations that support social entrepreneurship and social entrepreneurship organisations. A table with details regarding the respondents can be found in the appendix section of this paper.

3.3. Data collection

Chelcea (2007) defines the research interview as “a technique for obtaining, through questions and answers, verbal information from individuals and human groups to verify hypotheses or to scientifically describe human and social phenomena” (Chelcea, 2007, p. 296). Using the interview data collection method is considered to have several advantages: flexibility, higher rates of response, ensuring control over successions of questions and providing answers to all questions (Bailey, 1982). The main feature of unstructured interviews is the freedom given to the respondent to share the thoughts and ideas. The respondent (expert) was allowed to speak freely, as the researcher asked only follow up or clarifying questions, to help the flow of ideas.

To ensure that the topics included in our theoretical model were incorporated in the conversation, a checklist was created (Table 3.2.)

Elements of the conceptual model	Check-list questions
Social entrepreneurship – competence	What does social entrepreneurship mean to you?
Cognitive competence	What knowledge should a person have to achieve social entrepreneurship?
Functional competence	What skills should a person have to achieve social entrepreneurship?
Social competence	What attitude should a person have to achieve social entrepreneurship?
Meta-competence	What motivation should a person have to achieve social entrepreneurship?

Table 3.2. – Operationalization of the competence dimensions for the interview checklist

Clarifying statements as introduction, registration of conversation acceptance, the degree of confidentiality of data were also part of the standard communication.

3.4. Data analysis – Content analysis

Content analysis has been defined as a systematic, replicable technique for compressing many words of text into fewer content categories based on explicit rules of coding (Stemler, 2001; Weber, 1990). As an emerging idea, social entrepreneurship as competence can benefit from the abundance and

variation of the data resulting from such qualitative data analysis method. In our research we have used a two step coding process, similar to Barkin et al. (1999). In the first step one of the researchers selected items pertained to the categories of the competence. The second step was a coding process done independently by all three researchers.

A preliminary step of content analysis is considered the transcription of interview was done manually by listening to the audio records, in a Microsoft Word document, 2003 work version. Transcription was done “literally” preserving the respondent’s speech, without turning into a literary wording. The transcription was executed after the completion of all interviews of the sample to limit their intervention on following interviews and to maintain scientific rigor.

The first step was the memoing of the interview transcripts by one of the researcher, similar to Barkin et al. (1999). The transcripts of the interviews were read on three occasions, every time the outcome (memos) from a previous reading was put aside. The reading of the interviews was done at two week intervals, by the same researcher. The result of this process is a master list of items that create the main data pool, a data pool that will serve the next step, the coding. The master list contained two columns, one referring to data collected during the interviews with the Romanian experts and one referring to the data collected from the Dutch interviews.

The next step after the transcription of the data, was coding the material. Data coding is a specific strategy for data reduction for purposes caused by: development of categories and the development of theories (Florentina, 2006). For this research, we chose **thematic coding method**, using a priori codes / themes. A priori themes come from the characteristics of the phenomenon being studied; from already agreed on professional definitions found in literature reviews; as well as from researchers’ values, theoretical orientations (Ryan & Bernard, 2003). The actual coding based on the a priori codes of cognitive, social and functional competence as well as motivation was done by all three researchers, independently, keeping separate the Romanian and the Dutch data. Each of the three researchers received standard document containing a table with five columns. Four of the columns corresponded to the four elements of the competence and the fifth was an UNCLASSIFIED section. In this section the items that were not definable would be included. The researchers also included the same definitions as reference for the coding process.

When searching for the actual definition of the four dimensions of the competence (cognitive, functional, social and meta-competence) we came into difficulties, Le Deist & Winterton (2005) only refer to prior definitions from the models they analyse. Therefore, we have used an adaptations of the definitions put forward by Cheetham and Chivers (1996) as follows:

- Cognitive competence : underpinning theory and concepts, tacit knowledge gained experientially, “knowing that...” and “knowing why” – knowledge in Cheetham & Chivers (1996), Le Deist & Winterton (2005)
- Functional competence : “know how” , those things that a person is able to do and demonstrate Cheetham & Chivers (1996), Le Deist & Winterton (2005)
- Social competence : “know how to behave” , enduring characteristic of a person Cheetham & Chivers (1996), Le Deist & Winterton (2005)
- Meta competence : motivation as drive

After the researcher have independently coded, the tables were transferred in a summarizing matrix, in which the rows were constituting by the items from the master list, the columns were the five cate-

gories (social, cognitive, functional, meta competence/motivation and unclassified). The matrix contained numbers in the cells, which ranged from 0 to 3, indicating the number of coders who had placed the items in the same category. In order to analyse the results, a new table was created, including only the items that have had 3 references in the same coding category, creating the profile of the competence, by elements (cognitive, social, functional and meta-competence) separate for each of the two countries, Romania and The Netherlands.

The reliability and trustworthiness by intercoder reliability or interrater agreement (Tinsley & Weiss, 2000). Due to the fact that the master list was not too extensive, as the sample that provided the data of content analysis, we have decided not to use assisting software programs and do the coding by hand.

3.5. Results

The intention of this research is to answer two questions: “What is the structure of the competence of social entrepreneurship in Romania and the Netherlands?” and “What are the similarities and differences between the facets of the competence between the two countries?” First we will present the profile of the competence for Romania and the Netherlands separate, concluding with differences and similarities.

Cognitive competence	Functional competence	Social competence	Meta competence
Internal environment of the organization	Capacity to implement	Consistency	Preoccupation for a social problem
Knowledge of the law	Operational skills		
Knowledge of fiscality	Promoting new products		
Knowledge about the environment	Evaluating production		
Economical knowledge	Time management		
Marketing	Abilities for running a business		
Pricing	Capacity to plan		
Investment	Capacity to sell an idea		
Knowledge about selling channels			
Feasibility studies			
Investment management			
Commercial knowledge			
Financial knowledge			
Economical efficiency			
Knowledge about business			
Knowledge about target group			

Table 3.3. – Profile of Romanian Social Entrepreneurship Competence

When looking at the competence structure some observations can be made

- The number of item related to knowledge exceed the other components
- There is one social competence and one meta competence
- In terms of content the cognitive competence has a discipline orientation
- The functional competence have a business (language) orientation

- The drive confirms the existing views that the social mission/problem drive social entrepreneurship.

The profile of the competence in case of the Romanian experts, shows an orientation towards the tangible and security in the form of knowledge. The social drive is vaguely formulated, using the concept of “preoccupation”.

The main observations regarding the competence of social entrepreneurship for the Netherlands (see table 3.4 are:

- Larger number of items regarding skills (functional competence) and attitude (social competence) , rather than knowledge (cognitive competence)
- The cognitive competence is global
- The meta competence accommodates two elements, one with an explicit use of the concept social one broad, that can also be seen as social. Moreover this also confirms the literature in regard to the social motive (drive).

Table 3.4. – Profile of Dutch Social Entrepreneurship Competence

Cognitive competence	Functional competence	Social competence	Meta competence
Theory related to change	Management skills	Perseverance	Make the world a better place
Economic	Being able to make other people walk	Optimistic attitude	Want to tackle a social problem
Knowledge about what the problem is about	Building an organization	Enthusiasm	
Information on status of the planet	Team management	Persistence	
	Set up	Play to win	
	Management skills		
	Business skills		
	Entrepreneurial skills		
	Create business		

A conclusion regarding the profile of the competence in the case of the Netherlands shows a orientation towards skills and attitude, and a different from the profile of the Romanian experts, where the emphasis was mainly on knowledge.

Cognitive competence		Functional competence		Metacompetence	
Romania	Netherlands	Romania	Netherlands	Romania	Netherlands
Knowledge about the environment	Information on status of the planet	Capacity to implement	Set up	Preoccupation for a social problem	Want to tackle a social problem
		Abilities for running a business	Management skills		
			Business skills		

Table 3.5. – Common profile of Dutch and Romanian Social Entrepreneurship Competence

Finally, the profile of the competence for the both countries Romania and the Netherlands, shows to us that the two differ more than resemble each other. We were able to identify one (1) similarity in regard to cognitive competence, two (2) similarities in regard to functional competence and one (1) in regard to the meta competence.

4. Conclusions and Discussions

Social entrepreneurship as an emerging field of research and practice will continue to stimulate the interest of professionals in the upcoming decade. Until the concept of social entrepreneurship the efforts have focused on making clear the difference between have a social aim and being non-profit and making profit and doing business. We consider this a unique opportunity to explore mindsets in regard to business that have yet to emerge. Making profit and thinking business wise should be a competence that can be found in all sectors and in all individuals. Having a social aim can be the business of all organizations and people. In this desirable scenario the idea of social entrepreneurship as competence is for us a first step into working to this goal.

This research is a first step into grounding this new view on social entrepreneurship in a European setting, as well as to offer international research the set up for a common definition of the concept. We started our research by first presenting the status of social entrepreneurship in two European countries, Romania and the Netherlands. Next we tried to find whether the already defined criteria of the EMES School of Thought can be found among third sector organizations in these countries. We found that WISE type of organizations in both countries can comply with most of the criteria, using *buurtbeheer bedrijven, BBB* in the Netherlands and for Romania on authorized protected units (*unitati protejate autorizate, APU*) as clear examples.

Next we explored the concept of social entrepreneurship and the elements of the multidimensional competence with experts from both countries, in open interviews. As a result of this exploration and a coding with the use of *priori* categories, we have created a profile of the competence for each of the two countries. The comparing and contrasting process of the two profiles revealed that social entrepreneurship is a competence according to the experts and thus it gives a foundation for building teaching programs and trainings to foster an understanding and establishing social entrepreneurship. Romanian experts seem to see it much more as a knowledge related to a business dimension representing mainly the cognitive aspect of competence while Dutch experts see it as a multidimensional competence. These differences will shape the outline of future teachings and trainings on social entrepreneurship.

Shapiro & Markoff (1997) assert that content analysis itself is only valid and meaningful to the extent that the results are related to other measures. Therefore a further validation will be done by the employment of focus groups. Future research efforts should include the cultural factor as potential driver for differences in the profile and possibly the exploration of other European countries and cultures.

The main limitations of this research include first the cultural and professional background of the researchers (two Dutch and one Romanian, who are educators, with prior management experience, currently acting as researchers as well).

A second limitation of this research regards the process of the research. As the preoccupation for the interviewing was done by only one of the researchers, the Dutch interviews were done in English (though experts in the Netherlands easily use English in scholarly settings), whereas the Romanian interviews were done in Romanian. Another limitation is due to the creation of the master list and memoing only by one of the researcher, which has also conducted the interviews. Finally another limitation is the use of secondary sources in the analysis for the EMES criteria.

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Appendix 1 - Comparison of EMES criteria with organisations approaching the ideal vision in Romania and the Netherlands

CRITERIA EMES		APUs	Companies set up by non profit	BBB's
ECONOMIC				
E1	Continuous activity in the production of goods and/or services	Yes	Yes	Yes
E2	High level of autonomy	Yes	Yes	Yes
E3	A significant level of economic risk	Yes	Yes	Partly (evolving towards the market for income)
E4	A minimum number of employees	Yes	Yes	Yes
SOCIAL				
S1	An explicit purpose devoted to community benefit	Partially applies (not stipulated by law, shall apply by the organisation's purpose)	Partially applies (not stipulated by law, depends on the organisation)	Yes
S2	An initiative launched by a group of citizens	Partially applies (if the organisation has multiple founders)	Partially applies (if the association is considered as founder as a form of citizens' initiative)	Partly (they include also community representatives)
S3	Decision-making power not based on the principle of capital ownership	Partially applies (compulsoriness is not stated by law)	Partially applies (compulsoriness is not stated by law)	Yes
S4	Participatory nature, involving various parties affected by the activity	Yes (beneficiaries are involved in the production of goods in some cases)	Partially applies (compulsoriness is not stated by law)	Yes
S5	Limited distribution of profit	Yes	Yes (profit must be reinvested in the organisation)	Yes

Appendix 2 - Masterlist for coding as result of expert interviews

Dutch experts	Romanian Experts
System change	Capacity to implement
Instrument	Identify social needs
Having compassion	Equilibrium
Tenacity, domination	Knowledge of the law
Critique	Knowledge of fiscal policy
Communication	Knowledge about the environment
Vision	Impartial
Mindset	Operational skills
Management skills	Economic knowledge
Pushing teams forward	Financial
Being able to make other people walk	Business plans
Building an organization	Projects
Business management	Experimenting
Team management	Sustainability
Human resource management	Determination
Interval work skills	Marketing
Empathy	Promoting new products
Reaching out	Evaluating production
Loving	Pricing
Caring	Investment
Data and facts	Time management
Respect	Recruitment
Positive attitude	Choosing human resource
Bring in the best of a person	Economic efficiency
Respect	Promotion
Finding things	To make oneself known/present
Make the world a better place	Business administration
Help others	Follow production
Theory related to change	Estimate resources
Research oriented	Knowledge about business
Start new things	Knowledge about target group
Do measurable things	Managerial
Set up	Responsible
Make profit	Communicative
Make it sustainable	Internal environment of the organization
Economic	Innovation
Normal skills	Minimum resources
Teach them to be	Knowledge about Business
Management skills	Feasibility studies
Business skills	Investment management
Learn to take risk	Correct negotiating
Want to tackle a social problem	Commercial knowledge
Have patience	Financial knowledge
Knowledge about what the problem is about	Pragmatic
Entrepreneurial skills	Management skills
Idealistic	Pragmatic

<p>Have a sense of the problem</p> <p>Networking skills</p> <p>Perseverance</p> <p>Very positive</p> <p>Optimistic attitude</p> <p>Entrepreneur who likes to do the social stuff</p> <p>Try to do something good</p> <p>Really proactive</p> <p>Business</p> <p>Create business</p> <p>Information on status of the planet</p> <p>Are positive/have a positive look</p> <p>Naïve</p> <p>Optimistic view on the world</p> <p>Thinking in process</p> <p>Creativity</p> <p>Enthusiasm</p> <p>Having a vision</p> <p>Persistence</p> <p>Love to play</p> <p>Play to play</p> <p>Play to win</p> <p>Know who he/she is</p> <p>Get energy from story behind</p> <p>Finding yourself</p>	<p>Flexibility</p> <p>Pragmatic realism</p> <p>Determined</p> <p>Concentrated on the social problem</p> <p>Extraordinary perseverance</p> <p>Extraordinary discipline</p> <p>Preoccupation for a social problem</p> <p>Free</p> <p>Autonomous</p> <p>Knowledge about selling channels</p> <p>Capacity to identify a social need</p> <p>Abilities for running a business</p> <p>How to sell a product</p> <p>Consistency</p> <p>Capacity to plan</p> <p>Capacity to sell an idea</p> <p>Social elements</p>
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