



**SOCIAL ENTREPRENEURSHIP:
NEW GUISE OR PARADIGM SHIFT?**

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SUMMARY

The term “social entrepreneurship” started to be used in the 1990s to designate the practice of organizations that perceived in market mechanisms the solution to the different social problems found in our society. From the dilemmas created by the capitalist system and the apparent ineffectiveness of the State in guaranteeing basic rights to all citizens, this new model of organization has proliferated globally under the most different nicknames and conceptualizations. In Brazil, as in other parts of the world, these social businesses still lack a clear definition of their performance today - generating skepticism about their results. Within this context, it is important to understand the different views on the subject in order to determine whether this approach is just a new guise for old mechanisms or whether it can be considered as an innovative way of doing business. The research is carried out in a qualitative way regarding the presentation of the data and can be understood as being of a theoretical nature, seeking to relate the data obtained for a better understanding of a social phenomenon. Through a bibliographic review this article intends to (1) conceptualize social businesses - as they are known in Brazil, to (2) locate them within the market and consumption forecasting theories - also known as trend studies. The present work seeks not only to contribute to the understanding of the concept of social entrepreneurship in current social arrangements,

Key words: social entrepreneurship; social businesses; trend; organizational culture.

INTRODUCTION

Among the various advances made by human society towards a fairer environment, there are many issues that still haunt the world today. We must admit today that the current economic system is still precarious, placing about 40% of the world's wealth in the hands of only 1% of the population (UN, 2014). It is also necessary to recognize that the political systems used until then have been representative of their convenience, often working for the benefit of a few. Today millions of people still live in poverty, without access to health, education, work or a condition worthy of survival.

According to Dees, (2007, p.24) "We can disagree in our views of the ideal world, but we can generally agree that the gap between reality and the notion of ideal is still huge".

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Based on this statement, it is believed that, as a way to fill these gaps, some tools and, among them, social entrepreneurship emerged.

Thinking about how each person, company or institution can be vector of social change new business models began to emerge that aimed at ways to minimize social problems and thereby contribute more effectively to humanity as a whole. Its practice was initiated in response to the dilemmas generated by the capitalist system and the apparent inefficiency of the State in resolving them in a sustainable manner (BRAUNGART and MCDONOUGH, 2014) Under the name of Social Entrepreneurship, institutions that use market tools started to be grouped together in search of a solution to the various problems of social inequality found in different countries around the world.

Based on the awards received by Muhhamad Yunusem 1994 and 2006 for his work to empower marginalized populations - carried out through microcredit actions - the term became popular. Potenza (2012) states that "the noble and innovative context of social enterprise brought by Muhammad Yunus, ends up fulfilling the UN's Millennium Goals (MDG) [...] among the main goals pursued by the meeting that took place in 2000".

Responding to the same yearnings for greater social participation that drove the success of social media (SHIRKY, 2011) ordinary citizens and companies began to question what they could do to generate sustainable actions in favor of a greater number of people. This started the movement here called "social entrepreneurship".

Despite respecting local and particular contexts of the problems they seek to solve, the vast majority of these organizations are established around the idea of self sustainability through profit generation. Unlike the traditional third sectorⁱ, these organizations started to use market tools (generating even financial return) to generate positive social impact. However, even today, these aspects are considered incongruous, since traditional business models do not usually consider the social aspect of their actions in their entirety. For this reason, the real results of these "social businesses" are still evaluated with great skepticism (BARKI, 2015).

Based on the above, this study seeks to present the different conceptions of social business, in different cultures. Such an effort is necessary not only to understand the real meaning of this type of business, but also its impact on our organizational culture as a whole. The work, above all, seeks to contribute to the discussions about new models of social organization and how market analysis theories can help us to interpret such innovations in culture contemporary.

The present research has a qualitative approach regarding the presentation of data, can be understood as being of a theoretical nature, and is characterized as a bibliographic review

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in relation to technical procedures. It is classified as exploratory and also descriptive, as it seeks to establish relationships between the data, in order to better understand the problem through studies already carried out (GIL, 2002).

Its development takes place from the conceptualization of the themes Social Entrepreneurship and Predictive Theories in order to finally debate the issues addressed to generate the final considerations.

SOCIAL ENTREPRENEURSHIP

To draw a precise profile of the institutions that are sheltered under the name of “Social entrepreneurship”, it is necessary to examine the historical-social factors that resulted in the need to elaborate the concept. The now known social businesses started from organizations that arose mainly in the United Kingdom between the 18th and 19th centuries. Created voluntarily to assist social classes negatively affected by the Industrial Revolution these organizations started what is now known as the Third Sector. (ALMEIDA, 2006)

These organizations started to be constituted in different ways in order to solve the various dilemmas created by the adoption of capitalism as an economic system. It was to supply the State's apparent inefficiency in solving the range of social demands that Non-Governmental Organizations (NGOs) emerged.

Although they have motivations that are often legitimate and present positive results about the causes in which they operate, such organizations have been widely criticized both for the process of State responsibility and for the ideological lines that led to the creation of many of them. Depending almost exclusively on donations (private and / or government) and mostly linked to political parties or to religious philanthropy, NGOs have come to be associated with ineffective social action by public authorities (OLIVEIRA, 2008).

Seeking to improve the performance of these work fronts focused on social good, several initiatives began to be identified around the world that saw in market methodologies the solution to some of their problems. Solving common challenges to any service provider institution (of any nature) through tools traditionally used in the business world, such organizations were able to increase the effectiveness of their positive impact actions (MOREIRA and URRIOLAGOITIA, 2011; NICHOLS, 2006; BULL, 2008) .

Both in practice and in the literature, references to “Social Entrepreneurship”, a predominantly North American term for what it can also be known as “social economy” and in many countries in Europe, as “social enterprise”.

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Dees (2007) states that the concept of social entrepreneurship emerged in the 1980s, from the work carried out by Bill Drayton. Drayton who was dedicated to identifying and supporting innovative social activities around the world (through an organization called Ashoka) joined Ed Skloot - promoter of a worldwide support for small and medium businesses. Together they started helping these nonprofits to explore new sources of income, which for the first time started to generate financial return exclusively for the solution of social problems.

Since this movement was the result of the desire for greater social participation by citizens around the world, this was not a formally organized movement. From the adoption of new organizational arrangements for the solution of very particular local demands, different methodologies and concepts for these new business models were identified. In order to present the different conceptions about the theme, it is presented in the Table 01, the result of the study carried out by Oliveira (2004) to draw an overview of the concept of social entrepreneurship by different organizations around the world.

Table 01: Concepts on social entrepreneurship - international view

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ORGANIZAÇÃO	ENTENDIMENTO
School Social Entrepreneurship - SSE, Uk-Reino Unido	"É alguém que trabalha de uma maneira empresarial, mas para um público ou um benefício social, em lugar de ganhar dinheiro. Empreendedores sociais podem trabalhar em negócios éticos, órgãos governamentais, públicos, voluntários e comunitários [...] Empreendedores sociais nunca dizem 'não pode ser feito'."
Canadian Center Social Entrepreneurship - CCSE, Canadá	"Um empreendedor social vem de qualquer setor, com as características de empresários tradicionais de visão, criatividade e determinação, e empregam e focalizam na inovação social [...] Indivíduos que [...] combinam seu pragmatismo com habilidades profissionais, perspicácias."
Foud Schwab, Suíça	"São agentes de intercambiação da sociedade por meio de: proposta de criação de idéias úteis para resolver problemas sociais, combinando práticas e conhecimentos de inovação, criando assim novos procedimentos e serviços; criação de parcerias e formas/meios de auto-sustentabilidade dos projetos; transformação das comunidades graças às associações estratégicas; utilização de enfoques baseados no mercado para resolver os problemas sociais; identificação de novos mercados e oportunidades para financiar uma missão social. [...] características comuns aos empreendedores sociais: apontam idéias inovadoras e vêem oportunidades onde outros não vêem nada; combinam risco e valor com critério e sabedoria; estão acostumados a resolver problemas concretos, são visionários com sentido prático, cuja motivação é a melhoria de vida das pessoas, e trabalham 24 horas do dia para conseguir seu objetivo social."
The Institute Social Entrepreneurs - ISE, EUA	"Empreendedores sociais são executivos do setor sem fins lucrativos que prestam maior atenção às forças do mercado sem perder de vista sua missão (social) e são orientados por um duplo propósito: empreender programas que funcionem e estejam disponíveis às pessoas (o empreendedorismo social é base nas competências de uma organização), tornando-as menos dependentes do governo e da caridade."
Ashoka, Estados Unidos	"Os empreendedores sociais são indivíduos visionários que possuem capacidade empreendedora e criatividade para promover mudanças sociais de longo alcance em seus campos de atividade. São inovadores sociais que deixarão sua marca na história."
Erwing Marion, Kauffman Foundation	"Empreendimentos sem fins lucrativos são o reconhecimento de oportunidade de cumprimento de uma missão para criar e sustentar um valor social, sem se ater exclusivamente aos recursos."

Source: OLIVEIRA, 2004: 11

In Brazil (as well as in some developing countries) such actions have earned the name "social business", as can be seen in the concepts presented in Table 02.

Table 02: Concepts on social entrepreneurship - national view

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AUTOR	CONCEITO
Leite (2002)	"O empreendedor social é uma das espécies do gênero dos empreendedores. [...] São empreendedores com uma missão social, que é sempre central e explícita."
Ashoka Empreendedores Sociais e Mackisey e Cia. INC (2001)	"Os empreendedores sociais possuem características distintas dos empreendedores de negócios. Eles criam valores sociais pela inovação, pela força de recursos financeiros em prol do desenvolvimento social, econômico e comunitário. Alguns dos fundamentos básicos do empreendedorismo social estão diretamente ligados ao empreendedor social, destacando-se a sinceridade, paixão pelo que faz, clareza, confiança pessoal, valores centralizados, boa vontade de planejamento, capacidade de sonhar e uma habilidade para o improviso."
Melo Neto e Froes (2001)	"Quando falamos de empreendedorismo social, estamos buscando um novo paradigma. O objetivo não é mais o negócio do negócio [...] trata-se, sim, do negócio do social, que tem na sociedade civil o seu principal foco de atuação e na parceria envolvendo comunidade, governo e setor privado, a sua estratégia."
Rao (2002)	"Empreendedores sociais, indivíduos que desejam colocar suas experiências organizacionais e empresariais mais para ajudar os outros do que para ganhar dinheiro."
Rouere e Pádua (2001)	"Constituem a contribuição efetiva de empreendedores sociais inovadores cujo protagonismo na área social produz desenvolvimento sustentável, qualidade de vida e mudança de paradigma de atuação em benefício de comunidades menos privilegiadas."

Source: OLIVEIRA, 2004: 12

If in 2004 the author of this survey concluded that the concept of social entrepreneurship was still under construction (table 1), it is understood that more than ten years later the subject has finds itself in a first stage of consolidation within modern culture. In a study that aimed to get to know the studies on the topic of social entrepreneurship over the last 20 years, Rosolen et al (2015) state that this new model of market "is based on the creation of social value and the introduction of innovations in methodology, services or products, which would generate a social transformation" (ROSOLEN et al, 2015).

According to Yunus Social Business (2016), it is possible to state that: social businesses are organizations that aim to maximize social impact through self-sustainable forms of financing (table 03). Still based on this organization, the social business premise is only truly fulfilled when there is no dividend distribution and all the profit from the business is reinvested in the organization itself - a premise not mandatory in many of the models currently being executed.

Table 03: Social Business Concept

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Source: YUNUS SOCIAL BUSINESS, 2016

If from this observation it is possible to identify the evolution of the theme, maintaining the essence of the practice shared with authors of more than 10 years ago, it is possible to question whether it is still reasonable to say that business social are just a new guise for old human desires or if it can already be considered a real change in the ways in which we organize ourselves.

When employing the same commitment, creativity and resourcefulness in solving social problems that they would employ in any other type of business, the term comes up to show the practice of entrepreneurs who recognize it as a potentially propitious tactic to guarantee methodologically its effectiveness: generating impact positive social impact (DEES, 2007). It remains to understand how these efforts have been understood in the current marketing arrangements and what this new approach represents in modern culture as one all. In this sense, the following seeks to present some theories of market analysis in order to understand how these new social behaviors are understood within the culture and their impacts on the social organization as a whole.

PREDICTIVE THEORIES AND THE MARKET

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When Edgard Barki (2015) uses the terms “trend” and “fashion” he is evidencing the theories of Gilles Lipovetsky (2014) regarding the directions of capitalism in modern society.

While the values of what was once known as the “fashion market” started to influence basically all spheres of our lives (LIPOVETSKY, SERROY, 2014) and the imperative of enjoyment as a maximum instance started to guide consumer relations (DUFOUR, 2013), the same strategies of the liberal market started to be applied in many other fronts - including in the arrangements previously exclusively dedicated to the social good.

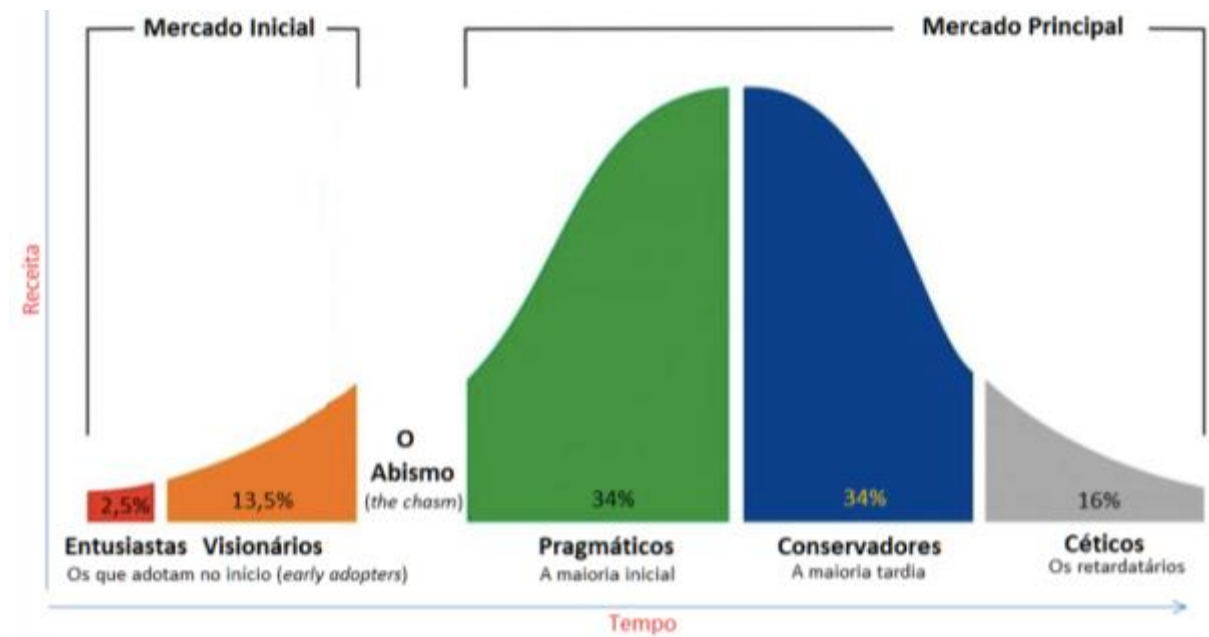
If the planned obsolescence of fashion now applies to everything, the seduction of advertising, design and marketing becomes part of the list of values to be considered for the success of an enterprise, regardless of its nature. In this sense, the ability of fashion to condense and translate sensibilities in the observation of behaviors and sign interpretations (CALDAS, 2014) is now used methodologically to build scenarios that allow dealing with the evolution of any complex system. This exercise of evaluating the possible consequences caused by the choices made within the current relationship system is called Trend Studies.

When questioning whether social businesses represent a trend or a fad Barki (2015) seeks to locate social entrepreneurship in these same theories, in an attempt to determine the social, economic and political meaning of such initiatives. The model of diffusion of innovations proposed by Rogers (2003) (figure 01) provides in a simplified way a schema of how innovations behave within this network of relationships called “market”, helping to understand their creation and levels of adoption. The author places the term Diffusion of Innovations as “the process by which an innovation is communicated through certain channels over time among the members of a social system” (ROGERS, 2003. p. 5).

If there is still skepticism today about the results of sustainable business initiatives, the reason may be linked to the fact that much of this effort has, in the past, been interpreted as unpredictable, of short duration and of no relevance to society - in the words of Kotler and Keller (2006), a fad. From the studies of Rogers (2003) it is possible to interpret as “modismos ”the proposed social innovations that end in a short time.

Figure 01: Rogers innovation diffusion model

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Source: ROGERS, 2003 adapted by CRUZ, 2013.

According to Barki (2015) it is possible to affirm that in fact social business at some point became a word of the “Fashion”, being even used to lend glamor to charity initiatives and philanthropic foundations of large companies - which do not have the same precepts as social entrepreneurship. Having as main motivation the resolution of the intricate paradox between the generation of social impact through profit, social businesses were often seen as inconsequential attempts to formulate a more inclusive capitalism - possibly not reaching the level of implementation necessary to generate consensus on the topic and reach the most conservative strata of the general public.

At the same time, it is possible to observe that after more than 10 years of practice and study, the values and concepts practiced within social businesses are not only completely aligned with other social indicators, but also reflect the projections for the future of contemporary times. For Campos and Rech (2012) these are characteristics of what in predictive theories can be considered a trend.

A trend is said to be any “manifestation, in the sphere of behavior, consumption or the 'spirit of time', of a sensitivity announced by signs” (CALDAS, 2004, p.217); that is, the ideas, proposals and initiatives that by reflecting the genuine desires of society, they resist time and become part of the organizational culture of the context in which they are inserted.

Within these signs (or other social indicators) that supported the development of the concept behind social business we can mention: the explosion of social media as a symptom

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of the democratization of communication (SHIRKY, 2011); the redefinition of the role of companies in the marketing of consumer goods and the provision of services (LIPOVETSKY, 2011); the inclusion of pleasure and justice as intrinsic values of social relations (DUFOUR, 2013) and the search for alternatives to the type of work that offers only financial return as a reward (BARKI, 2015). These, among other factors, act as a safety net acting to guarantee the success of this new way of thinking about the current economic system.

In this way, as pointed out by Barki (2015, p.17), social entrepreneurship not only represents a paradigm shift in today's society, but also “emerges as a philosophy to rethink and influence the way of doing business”. Based on this assumption, the discussion of the results found for generating the final considerations follows.

DISCUSSION AND FINAL CONSIDERATIONS

If it is still possible today to agree that we are far from reaching our ideal worlds, it is also necessary to recognize that much has been done in recent years in favor of fairer, or simply better, social relations. Whether by the expressive number of organizations focused exclusively on the social created from the 1980s (BARBOSA, 2004) or by the incorporation of ethical and sustainable values in consumer relations (LIPOVETSKY, SERROY, 2014) it is possible to find evidence that the same precepts that underlie social entrepreneurship not only reach the more conservative layers of Rogers' diffusion system, but have significantly impacted the organizational culture of different segments of society.

The practice of a more social entrepreneurship seems to emerge as a “natural” approach to the neoliberal capitalist economic system based on the recognition of the same desire for greater social participation that drove the success of social media (SHIRKY, 2011). Since today's young people already have the resources and quality of life that their parents had to fight for, there is a growing perception on the part of this generation that it is possible to have a good life without having to surrender to the exhausting jobs they offer financial return as the only reward (BARKI, 2015).

The desire of new generations to take part in the system and assume new roles in capitalist processes is also a reflection of the appreciation for more socially and environmentally more sustainable relationships - shifting the focus from personal triumph to collective benefit. Obviously this is not a uniform and formally coordinated movement, a reason that makes it necessary to systematically observe behaviors and signs as a tool for understanding these new social contexts (CALDAS, 2014). The effort of Rogers (2003) and

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other authors in understanding social behavior in relation to changes, whether they are market or social, is relevant in the acceptance of certain behaviors as social paradigms.

If consumption starts to be understood as common to all societies and if goods exercise many functions, with mercantile being only one of them (CANCLINI, 2010), why not improve our business models so that they do not dissociate social impact with generation of profit. In understanding contemporary culture in this sense, it will be up to future works to go beyond the discursive analysis of social entrepreneurship to discuss the real impacts of this new business model on the neo-liberal capitalist system as it is today.

As recommendations, it is suggested the production of academic / scientific works on actors of this scenario in the country, projects and initiatives for the discussion of new organizational policies that are adapted to these changes. Market behavior studies will have the task of understanding how these new concepts will articulate in the creation and adoption of new behaviors in the present system of relationships and in the identification and monitoring of their social consequences in the future.

¹Non-profit organizations, non-governmental, focused on solving social problems and with the ultimate goal of generating public services. (SÃO PAULO, 2004: 15)

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