

**СТАТИСТИЧНЕ ТА ЕКСПЕРТНО-
АНАЛІТИЧНЕ ЗАБЕЗПЕЧЕННЯ
УПРАВЛІННЯ СТАЛИМ
РОЗВИТКОМ ЕКОНОМІКИ І
СОЦІАЛЬНОЇ СФЕРИ**

Колективна монографія



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ЕКОНОМІКИ І СОЦІАЛЬНОЇ СФЕРИ**

**STATISTICAL AND EXPERT-ANALYTICAL SUPPORT
OF SUSTAINABLE DEVELOPMENT MANAGEMENT OF
ECONOMY AND SOCIAL SPHERE**

**КОЛЕКТИВНА МОНОГРАФІЯ
за редакцією В. Г. Маргасової**

**COLLECTIVE MONOGRAPH
edited by V. Marhasova**

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Потреба суспільства в ефективних змінах правового, інституційного, фінансового, організаційного та змістовного характеру з помітними для нього результатами робить необхідними посилення інституційної спроможності системи державного управління та подальшу розбудову демократії у процесі здійснення секторальних реформ в Україні, які водночас мають узгоджуватися з проголошеним на глобальному рівні стратегічним завданням забезпечення сталого розвитку, що передбачає знаходження балансу між економічною, екологічною та соціальною складовими розвитку на фоні забезпечення миру та соціальної злагоди. Використання ефективної та якісної системи експертно-аналітичного забезпечення державної політики, аналітичних методів і технологій забезпечує підтримку прийняття та реалізації державно-політичних рішень на всіх рівнях владної ієрархії, забезпечує інформаційну підтримку обраної для реалізації державної політики і створює умови для об'єктивного формування громадської думки щодо її впровадження, забезпечує потреби державних службовців у верифікованому аналітичному матеріалі.

Колективна монографія містить результати моніторингу ефективності процесів інтеграції України до ЄС та дієвості секторальних реформ, системного дослідження фундаментальних теоретико-методологічних засад експертно-аналітичного забезпечення управління, європейського досвіду розвитку статистичного бізнес-процесу з метою забезпечення належного рівня якості даних та ефективного статистичного виробництва, удосконалення статистики державних фінансів, грошово-кредитної та фінансової статистики, аналітичного, експертного, правового й інформаційного забезпечення місцевого та регіонального самоврядування в процесі децентралізації, забезпечення управління економічним потенціалом й економічною активністю і життєвим рівнем населення. Вагомим результатом проведених досліджень є розроблені напрями раціонального й ефективного використання наявних можливостей розвитку України та її регіонів в сучасних умовах.

Монографія розрахована на фахівців у галузі економіки, державного управління, науковців і практиків, менеджерів, які за родом своєї діяльності вирішують завдання бізнесу, планування комерційної діяльності і виробництва, а також у процесі державного регулювання економічного розвитку, з можливостями, що відкриваються у разі коректного й цілеспрямованого використання статистичного забезпечення розроблення та підтримки управлінських рішень для зростання ефективності в усіх сферах суспільного життя.

Відповідальність за науковий рівень статей, обґрунтованість висновків, достовірність результатів, правильне цитування джерел та посилення на них несуть автори та їх наукові керівники.

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C 78 STATISTICAL AND EXPERT-ANALYTICAL SUPPORT OF SUSTAINABLE DEVELOPMENT MANAGEMENT OF ECONOMY AND SOCIAL SPHERE : monograph / [edited by V. Marhasova]. – Chernihiv : CNUT, 2017. – 620 p.

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The need of society in effective changes of legal, institutional, financial, organizational and substantial character with noticeable results makes it necessary to strengthen the institutional capacity of the system of public administration and further develop democracy in the process of sector reforms in Ukraine, which must be consistent with declared at a global level strategic objective of sustainable development, which involves finding a balance between economic, environmental and social components of development against the backdrop of securing peace and social cohesion. The use of effective and qualitative system of expert-analytical support of public policy, analytical methods and technologies, provides support for adoption and implementation of public-policy decisions at all levels of the power hierarchy, provides information support of the chosen for implementation public policy and creates conditions for the objective formation of public opinion on its implementation, meets the requirements of civil servants in the verified analytical material.

The collective monograph contains the results of monitoring the effectiveness of Ukraine's integration into the EU and the effectiveness of sectoral reforms, systematic study of fundamental theoretical and methodological principles of expert-analytical maintenance of management, the European experience of statistical business-process development to ensure adequate level of data quality and efficient statistical production, improvement of statistics of public finance, monetary and financial statistics; analytical, expertise, legal and information support of local and regional authorities in the process of decentralization, securing management of economic potential and economic activity, living standards of the population. An important result of the research is the developed directions of rational and effective use of the existing capacity of Ukraine and its regions in modern conditions.

The monograph is intended for specialists in economics, public administration, academics and practitioners, managers who in their work solve business issues, plan commercial activity and production, as well as participate in the process of government regulation of economic development with the opportunities opening in case of the correct and targeted use of statistical software development and support of management decisions for the increase of efficiency in all areas of public life.

Responsibility for the scientific level of the articles, the validity of findings, the reliability of results, proper citation of sources and references to them bear authors and their supervisors.

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THE BASIC PRINCIPLES OF SOCIAL ENTREPRENEURSHIP

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Introduction

Social entrepreneurship has become very popular currently. We did not hear anything about it a few years ago. Nowadays it is a very popular and relevant activity for many entrepreneurs. Social entrepreneurship is the key to the economic stability and the social balance. It is a kind of social innovation, because it is a mechanism for social changes and sustainable development within the profitable and non-profit entrepreneurial activity.

Nowadays, we hear more and more about social entrepreneurship. However, not everyone understands to the end what does it mean. There are many different meanings of social entrepreneurship. Today it has become very popular to refer to social entrepreneurship in politics, science and business.

Social entrepreneurship is a type of entrepreneurship initiative. This entrepreneurship initiative has an aim to solve social problems and to promote social value. Entrepreneur is a person who takes up the challenges. It can be anyone, man or woman, a person who starts an enterprise. He or she uses principle of entrepreneurship with the intent of creating social capital and not being essentially profit centered.

As a rule, we need social entrepreneurship in our time, because we have uneasy times. First, it has a very big value during economic crisis, because in this period exacerbated social problems and their solution are very important for the existence of the society. Second, thanks to social entrepreneurship we can see business in general develop. It helps to create a favorable business environment, maintaining an active social position, innovation, social solidarity, and creation of conditions for a softer and timely recovery. Social entrepreneurship signals the need to stimulate social change. As a result, we have positive changes in society, thereby emphasizing this area of activity. In addition, social entrepreneurship exists for promoting cause of social and environmental aims that have an impact either in the present or in the future. As a rule, such entrepreneurs are generally a part of or associated in some way with some nonprofit organizations. Although profit plays a great role too, it does not represent the main objective.

History of scientific methodology of social entrepreneurship

The term «social entrepreneurship» is a comparatively new one, but it has an interesting history. It appeared a few decades ago. The use of social entrepreneurship can be found back in the history. At first, this definition was mentioned in 1960 in the English literature on issues of social change. It was commonly used in 1990s, particularly through the efforts of Gregory Dees

(Arapetyan, 2008). Gregory Dees was one of the founders of social entrepreneurship as a new topic. He found that entrepreneurship is something that takes place in the market. Dees thought that we need the act of philanthropy, when the market cannot pay for products.

Naturally, during the nineteenth and twentieth centuries there were entrepreneurs who made excellent efforts to destroy social defects. Nevertheless, there are many organizations that work for people's rights, save trees, treatment of waste products, to save the environment etc. Besides solving the social problems, social entrepreneurship also includes addressing the environmental problems and financial issues for poor people. At the same period, the concept of social entrepreneurship has been extensively used in different forms.

Fortunately, many big companies and brands are adopting the concept of social entrepreneurship. They are trying to solve the problem in our society by opening schools, colleges, technical colleges in far-flung areas, educating girls for family planning, making it possible for poor people to access low interest credits. It can be planting of trees, gardens, and parks. Many young people want to volunteer with their excellent ideas and services to bring a social change through social entrepreneurship.

The most successful social entrepreneurs are very useful and we need them, because they support the state and economic of the country. There are many different definitions of social entrepreneurship.

At the XXI century, Dr. Jan-Urban Sandal has published the first scientific writing about social entrepreneurship in 2004 in the Nordic countries (Gura, 2016). Dr. Jan-Urban Sandal defines social entrepreneurship as a form of management. The objective of this special form of management is to run a production function. This definition shows us the main thought of entrepreneurial activity. We see that the main purpose is to reach both social and economic value.

Other most important determinations are:

- It is business with social objectives. Primarily an entrepreneur interested in social value;
- Company, that highlighting on business in the social sector of the economy. It is first making social value and business profit;
- Activities of social entrepreneurship based on social values, aspiration to achieve positive social change and altruism;
- Organizations dedicate their lives to social improvement;
- Companies developing and funding environmental or cultural issues;
- The definition, which depicted a unique approach to social and economic problems, an approach that cuts in sectors and disciplines that touch some values and processes that are common to each social entrepreneur, regardless of his or her area of focus was health, education, human rights, welfare reform, workers' rights, the environment, economic development, agriculture, etc., or entities they create, whether non-profit or for-profit organizations;

- It is a conception that is based on a self-sustaining basis of economic activity for the production of social significant product or service using innovative solutions. The ultimate goal of this activity is not for profit, but the production of a product or service designed to solve social problems.

Gregory Dees is an owner of one of the most common definition of social entrepreneurship. He identified five factors that define it (Dees, 1998):

- Creating and supporting social value (good);
- Identification and using new opportunities for implementing the chosen mission;
- Implementation of continuous innovation, adaptation and learning;
- Determination of the action is not limited disposable resources;
- High entrepreneur responsible for their performance (result of their activity).

Scientific definition and objective of social entrepreneurship

Social entrepreneurship has many components, such as some social problems that exist in society and most countries that cannot be solved by the government alone. Furthermore, the development and implementation of innovative mechanisms to solve some problems that violates stable but unjust balances and create a new, sustainable balance that frees up resources for society. Therefore, in general, social entrepreneurship is an activity, which has three targets: social, market and innovation. Market is the viability for the companies that is achieved through the trading/commercial activities. Social is the basis of their activity like social goal (job creation, training and development of certain skills, services and manufacturing goods locally). Innovation is based on the creation of something new, which previously could not be done (Schumpeter, 2008).

The main goal of all social entrepreneurship is to create a value, because the result of successful entrepreneurship is, first, economic development and equal rights. Secondly, it is peace in a country and a better world, freedom and economic and social progress. Thirdly, it is the creating of new jobs, enriching the professional experience of people who work in the field of social entrepreneurship for future employment, to develop community, to help poor people, homeless, and animals, revive rural and urban areas and improve their social infrastructure etc.

The social entrepreneur does not seek any financial gain for its investors or for himself; he seeks value as large positive changes. Social entrepreneurs do not avoid making a profit at the expense of creating values. Companies can be profitable and can be organized as a non-profit. Social entrepreneurship is not the same as social responsibility, in which certain business structure is concerned about the impact of their activities on the environment within which it operates. At the same time, socially responsible business can contribute to the development of social entrepreneurship. For example, representatives of corporations can provide advisory support to those who managed social

enterprises. These two companies are equally very important. The differences between them are that social entrepreneurship, in contradistinction to socially responsible business, there is no profit for multiplication of shareholders.

Social entrepreneurship was born as a response to social problems: like unemployment, poor population, polluted environment etc. We need social entrepreneurship, because it satisfies needs of community members. At the same time, government cannot satisfy people's needs, like the private. This is an important niche for social enterprises. People are the center of social entrepreneurship, because they get important benefits from social business development.

Therefore, social entrepreneurship is an activity that modifies and solves social issues, and has the following main features:

- Innovations - using new, unique approach that can increase social impact;
- Social impact - target orientation to mitigate or solve existing social problems;
- Business approach - when a social entrepreneur can see market failures, can find opportunities, develop new solutions that provide long-term positive impact on society;
- Business scale - zoom in social enterprise activities (national and international) and distribution of experience in order to increase social impact;
- Self-sufficiency and financial stability - the ability of social entrepreneurship to solve social problems as long as it is necessary.

Social entrepreneurs work with goal of changing the face of society. It can be education, sanitation, health, environment, and they are present almost everywhere. Many famous social entrepreneurs inspire other people to take up this profession. These are some examples of people who started this activity and have had great results in their work.

Florence Nightingale. She is a woman, who laid the base for the first school of nurses. She worked to improve the hospital conditions.

Susan B Anthony. Was the Co-Founder of the first women's temperance movement. He was a great American civil rights leader for women's rights in the 19th century.

Margaret Sanger. She thought that family plays a great role in our life. That is why she championed the family planning system around the world. Besides she was the founder and Leader of the planned parenthood federation of America.

Maria Montessori. She is a head in sphere of education. Maria try to produce the special approach to early education in children.

Vinobha Bhave. He plays a great role in Indian modern history. In fact, he was the founder and leader of the Land gift movement that helped reallocate land to untouchables.

To be social entrepreneur means a vocation, like a doctor and teacher. Bill Drayton had a very smart thought: «Social entrepreneurs are not content just to

give a fish or teach how to fish. They will not rest until they have revolutionized the entire fishing industry» (Drayton, 2004). Actually, social entrepreneur must have such features of character: active, risk, ingenuity, fearlessness, elegance, endurance, courage etc. In addition to these features, social entrepreneur should have:

- Belief, that everyone can make a great contribution to social development;
- The consider that all people should think in what country they live and how they can;
- Improve their economy and life, in general;
- Initiative. They are very active and can't sit at one place a lot of time, because they are impatient;
- Risks. All social entrepreneurs are very risk people. They are smart and use innovative position in social problems;
- Think through each step.

The social entrepreneur will reach a success and stay a leader if he or she:

- First of all, oriented on the creating environmental value;
- When entrepreneur wants to solve social problem;
- When he or she try to optimize the financial value creation;
- Focuses on reaching a big scale (a big success);
- Try to do some changes through a new invention;
- Try to improve his or her skills all time;
- Constantly monitors feedback and market;
- Attempt to find new product or service to address some social problems.

Nowadays social entrepreneurship becomes very popular. There are a few models of social entrepreneurship:

- Employment model. According to this model, companies give employment opportunities and training for people who have some problems with health or social problems. That is why they cannot competition on the market labor. For example people with disabilities, former prisoners, homeless and socially disadvantages young people. This model use public organizations with different directions. Traditional entrepreneurs who use this model are coffee shop, restaurants, courier companies, etc.

- Model of entrepreneur's support. These companies give financial services for opening their own business. Then, they sell their products or services on the open market. This model is very popular, first it helps and support small business. This model use economic development programs of small and medium businesses, consulting firms, technology vendors and products.

- The model of financing services. Organizations are selling goods and providing services, and use the revenue to finance social programs. This model use public organizations. Often such companies are the result of a combination of material assets (buildings, land or equipment) or immaterial assets (expertise, brand).

- Model of agent market. Such companies have one aim - to provide their services to ensure their access to markets. It means, that they improve product, help in production or sales, lending, etc. This model uses traditional business: marketing organizations, consumer organizations, etc.

- Model «market connect». These companies facilitate trade relationship between their clients and external markets. Social entrepreneurship like a broker, which acting as a liaison units, for which it receives payment. In this case, a social enterprise does not sell or sells products of its customers, but only connects customers with the markets. The model use commercial organizations, brokerage service etc.

- Social entrepreneurship needs a favorable climate for development. Government and local authorities must create this climate. Government should understand that social entrepreneurship is a tool that helps to society development. As mentioned earlier, Prof. Muhammad Yunus in Bangladesh gave an idea about social entrepreneurship. He thought that social entrepreneurship based on some unique principles. There are seven principles of social entrepreneurship that define the purpose of this one.

The main principles of social entrepreneurship.

The first principles of social entrepreneurship, in general, determine the goal of existence for any social business. It means that the business objective for social entrepreneurship will be to overcome social problems (for example poverty) or deal with some problems like pollution, education, healthcare, nutrition, environment, trees.

- In the second principle, we will find postulates about the financial and economic sustainability. Social entrepreneurship was born for people, to serve them.

- The third principle governs the return on investment. Investors in social entrepreneurship are prohibited to take money beyond their investment.

- If entrepreneurship earned over and above the investment it is supposed to be reinvested back in for the business improvement and solve social problems. The main aim of this principle, is reaching out to a higher number of people. The more people involved to the social entrepreneurship, the more social problems solved.

- Social entrepreneurs must be responsible to the well being of the surrounding and environment. They are playing a great role directly or indirectly in an improvement of the environment. Indirectly it means that they do no harm to the environment.

- Those people, who are working with the social entrepreneurship and its employees, will get a fair compensation. Moreover, the workforce will get better working conditions.

- Social entrepreneurship is not with the purpose of profit maximization. That is why only those who have a passion for contributing to the society and

the environment will run a social business. This means that business will run in an environment of joy and not stress.

These principles are very easy to follow and simple in nature. They were given by Prof. Muhammad Yunus in collaboration with Hans Reitz who is also the co-founder of the Grameen creative Lab. These principles are very important, because they show us the distinction between social entrepreneurship and other businesses that take care of environment.

When you create a social enterprise, one should notice some basic characteristics. One should have a clear and understandable mission of social purpose, which involves solving certain social problems. Approaches for solving social problems must be innovative. The main thing is to achieve positive social changes and remember that the ultimate purpose is not profit. A social enterprise is a non-collective ownership, but organizes members of the social entrepreneurship's employees, target groups, volunteers, etc.

When we are talking about social entrepreneurship, we should understand that it is about applying innovative, sustainable, practical approaches to benefit society in general. This type of entrepreneurship is aimed at those who are marginalized and poor.

Social entrepreneurship includes responsibilities of business, as well as social responsibilities of business. Responsibilities of business are an obligation of some people engaged in business (managers) in relation to the company owners, customers, employees, and society in general. There are two groups of main responsibilities: first - the responsibilities associated with legal responsibility; and the second - the responsibilities related to social responsibility.

Social responsibilities of business. It is when management is responsible for controlling the environmental impacts of its activities, non-discrimination in the hiring of staff and responsibility to consumers.

Responsibility of government toward business. The meaning is determination of rules that private business should follow, while remaining free and prosperous, to provide benefits to society.

Therefore, social responsibility in business is understood in close connection with the legal responsibility of employers. It allows them to understand that business and government are interdependent. They must not forget about responsibility. Social responsibility is one of the features of business and first of all a feature of social entrepreneurship. It is important to mention that the modern entrepreneur is not only a businessperson who has a purpose to earn money, (s)he also inherent sense of social responsibility for her/his actions.

The introduction of principles of social responsibility not only benefits society value, but also the company (organization, firm, etc.). Organizations have such benefits if they perform principles of social responsibility:

- It is possible to reduce local taxes for entrepreneurship;

- The organization stays more attractive in the society;
- Increase trust to the company (firm, organization);
- it is possible to have a favorable, very good order;
- Increase turnover and number of clients.

The main types of social entrepreneurship.

Social entrepreneurship is the process of including innovative solutions to address social, economic and environmental problems in a variety of ways. In general, there are five main types of social entrepreneurship (Sotula, 2014). There are:

- Social Enterprise;
- Community Project;
- Social Purpose Business;
- Non-profit Organization;
- Co-operative.

Social Enterprise.

When a business is created for promoting a social aim in a financially sustainable way, those businesses are changing the world to become a better place for everyone. We can find examples of social enterprises in our communities, like when we are walking down the street (from cinemas to some pubs or coffee shops and banks). It uses business operations and some strategies for helping and supporting the society. At the same time, they are non-profit organization. Social Enterprise can include:

- Creating workplace for poor people (marginalized populations);
 - Local communities are the business owners;
 - Education or some training for people, who have problems with challenges in facing the workforce;
 - Some private sector business partnerships that has non-profit objectives.
- Important to notice, that social enterprise should have such duties, like:
- Do not depend of state (to be autonomous);
 - Have a clear social and environmental mission. This mission should be set out in their governing documents;
 - Enterprise should be transparent and clear;
 - Be accountable;
 - Reinvest the biggest part of its profit;
 - Everything should be controlled in the interests of the social mission.

Today we need social enterprises, because many people have such problems like:

- Lack of economic opportunities;
- Absence of fair wages and employment;
- Lack of access to some information or services;
- Pollution;
- Rubbish on the streets.

Social enterprises can solve these problems, because it is their obligation

to do so. This type of businesses are created to provide a social goal in a financially sustainable way. When we have some problems, we should find the solution as soon as possible. Social enterprises work on it, and we can find these solutions:

- Social enterprises give opportunities to get income. This income will be enough for basic needs for poor people;
- This is not philanthropic organization, therefore they reinvest earned income from sales as their purposes;
- They spread their missions among population.

Examples of social enterprises:

- Roots to Harvest (Urban Youth Garden), Thunder Bay - They have a mission to ensure transformative educational opportunities for young people to engage with local agriculture and cultivate healthy communities. They want to see a future where youth are leaders, connecting a different community and cultivating food that is healthy and available. (Sotula, 2014).

- «Thunder Bird Rock Nimkiibneshiinhaszhibik, Sault Ste». Marie and Batchewana-Aroland has a mission, they hire young people to harvest blueberries. Then they sell it at farmers markets. It gives an opportunity for boys and girls to work, to have some job (be active, earn money, to provide food for themselves and to learn from each other). They perform very important value (to save ecosystem).

Community Project.

Community is a category that uses any community-based project or initiative. This includes a big variety of different group and community. Their main purpose is to solve economic, social and environmental issue. If we want to change the world initially, we should change the way we relate to the planet and its people. Community projects can locally run and finance orphanage or organize help for homeless.

Examples of community project:

- Paquataskamik Project, Fort Albany First Nation. This project is a community that has very nice objective. They want strengthen relations between generations, because it is very important for cultural and economic goodness and well-being.

- Timmins Community Gardens, Timmins. The Community Gardens in the town. Their main idea is to provide residents with access to nice work in the company, fresh vegetables and close connection with neighbors. This is a project created through a collaborative partnership of the United Way, Timmins Economic Development Corporation, The Anti-Hunger Coalition, Timmins Family Health Team, The Porcupine Health Unit, The Mountjoy Farmers' Market, Mattagami Region Conservation Authority and individuals from the community (Arapetyan, 2008).

Social Purpose Business.

Social Purpose Business is defined by Futurpreneur Canada and Trico Charitable Foundation. A social purpose business is a positive environmental and social impact plus profit making enterprise. This type of business uses entrepreneurial principles to manage, mobilize and organize a non-profit business. Social Purpose Business has a social mission to create both economic and social value.

Examples of Social Purpose Business:

- Tidy and Clean Housekeeping Service, Thunder Bay. It is an environmentally friendly housekeeping service. Their aim is to save environmental, that is why they use only certified Eco-friendly cleaning products. In addition, they use products made from recycled material that are made in Canada.

- Creative eLearning Design, Sudbury. This organization has very interesting purpose. We live in XXI century and online education is very popular and useful today. Their mission is to develop pedagogically sound education and training opportunities online.

Non-profit Organization (NPO).

This type of business granted tax-exempt status by the Internal Revenue Service (IRS). In these organizations, shareholders do not benefit financially. Anyway, non-profit organization exists for charitable and educational reasons. Incomes are reinvested in the organization to reach their goals. Particularly incomes are using for its own programs, expenses and operations. Non - profit organizations do not pay income tax on the donations they receive. If organization wants to receive a «non-profit» determination, it must have aims that include charitable, education, religious, literature, scientific, public safety or cruelty prevention causes or objectives. Nonprofit organization must generate some public benefit.

A not-for-profit organization it is a big organization that encompasses all organizations that are known (like nonprofits, non-governmental organizations, charities, civil society organizations, private voluntary organizations, etc.).

Broadly speaking, a nonprofit organization is an organization with an aim of non-for-profit. As a rule, organization makes a profit. Nevertheless, they use their profit for the operations of the organization itself and use the income for solving social needs.

Examples of nonprofit Organization:

- Thinking Rock Community Arts, Sault Ste. Marie. This organization has important mission for community. They invite everybody (communities) to divide the histories and some stories from rural areas. Thinking Rock Community Arts tries to co-create the communities with young people and create consulting for businesses and community groups. Young people very satisfied, because they have a place for work.

- La MaisonVerte, Hearst. The main mission of this organization is to set up business ventures that create jobs for women. A group of women founded it

in 1980. Through the production of tree seedlings for forests and parks, and the production of fresh vegetables to local markets, La MaisonVerte has made a great influence on the local economy.

Co-operative.

This type of social entrepreneurship is special, because it is community-focused business that balances people, profit and the planet. Co-operative are legally incorporated organizations. Members of this organization are owners. They can use their services or purchase their products. Co-operative can provide actually any service or product. They can be for profit enterprises or nonprofit enterprises. The co-operative organizations keep dollars circulating within the local economy. Their main mission is to give secure employment. In addition, they try to revitalize and sustain healthy communities.

Over the years, the main co-operative purpose is to provide services and goods to members. Co-operative's income is taxable.

Examples of Co-operative:

- True North Community Co-op, Thunder Bay. Non-profit organization located in Thunder Bay country. They want to create stable community in Northern Ontario, because they have a strong economy. This organization is important because they give an opportunity for regional producers to market their goods and sale it at a fait price. This activity is beneficial because people have access to quality, regionally produced foods and handicrafts.

- Cloverbelt Local Food Co-op, Dryden. The uniqueness of this organization is that it uses an online platform for connection with customers and producers from local or rural communities of the Northern Ontario. The Cloverbelt Local Food Co-op (CLFC) has a mission to provide food security. They make it for raising overall rural sustainability.

- Eat Local Sudbury, Sudbury. It is a unique distributor and grocery store. This grocery store joins producers with eaters and sells product from farms within a 150 miles radius of Sudbury. This type of social entrepreneurship serves as a center for producers and consumers. Eat Local Sudbury has an aim to serve its members. They are supporting and promoting local food.

Therefore, there are five different types of social entrepreneurship. They are different and similar at the same time. Primarily social entrepreneurship is a business. Nevertheless, the main distinctive between social entrepreneurship and traditional business is solving social problems. There are many disadvantages in the economy. Unfortunately, the state cannot solve all social problems alone neither can traditional business. Both of them are interested in improving the economy of the country, solving social problems and developing the social value. That is why social entrepreneurship should take a free niche in the society and economy. People, country, government, and economy need it. First, it would be decided to solve problems of small groups: employing people with physical and mental disorder help with overcoming social isolation, unemployment, and

another. That is why developing of social entrepreneurship is very important for the country.

Actually, people must understand the importance of social entrepreneurship and help to promote social entrepreneurship in their country. Firstly, to inform people and society, in general, about social entrepreneurship, because not anyone of them understand to the end what advantages and benefits will be possible to provide through social entrepreneurship. Research on social entrepreneurship should study scientific institutions too. Entrepreneurs should understand the essence of social entrepreneurship. It can be a type of social entrepreneurship, which uses their productive capital. At the same time, they can solve some social problems.

One of the main problem in development of the social entrepreneurship is absence of entrepreneurial education. Entrepreneurs do not usually want to learn anything related to social value or problems.

There are some activities with no meaning for social entrepreneurship (Sandal, 2007):

- Business in a social sphere;
- The social responsibility of companies;
- Philanthropy;
- Production socially important products and services by commercial organizations;
- Volunteer work;
- Social work;
- Missionary;
- To be a good person and helping poor people.

Charity is selfless help to those in need, financial aid and support to the poor.

Business in a social sphere it is a branch of action to facilitate or even solve social problems.

The social responsibility of companies is responsible attitude of company to their product or service and to employees, customers, and partners.

Philanthropy is love to people, population in general, friendly attitude to common man, charity, and selfless help.

Volunteer work it is volunteer participation in community organizations. They do not get wages.

Social work is professional activity that helps social development and social changes. Social work helps some families to solve some problems if people are in difficult situations.

Missionary is often a preacher of a religion, which spread information in an environment where it has not been previously known.

To be a good person and helping poor people – it means that you are very good, kind and charitable person and you want to give help to another person (friend, neighbor, and stranger).

Social entrepreneurship must have clearly defined social goals. All information about social purposes should be written out in the charter of the organization (or in other documents). Furthermore, social entrepreneurship can be supported by international organizations and funds that give an opportunity to get additional sources of income. Sometimes social entrepreneurship is only a possible variant to solve social problems. Socially oriented structure does not depend on external sources of financing. That is why social entrepreneurship needs only necessary start-up capital. They reinvest income from their own activities, and resolve social problems.

Social entrepreneurship is a business activity, which focuses on significant, innovation and positive changes. Profit and finance benefit are not their main motive of these activities. They want to make the world a better place for everyone. Development is a main motivation of all social entrepreneurship. Social entrepreneurship is growing up in the European countries. It addresses issues of social protection, unemployment and social inclusion.

Some interesting examples of social entrepreneurship in the world

Project Leto.ua in Ukraine (Kyiv) - This year together with the local community of Sof.Borschagovka village, Kyiv region. They have created a unique first social project, which connected the interests of the villagers who have land and residents of high-rise housing. They are very active developing in the village now.

The first involved peasants, who had the ability and desire to work on their own land and grow organic horticultural products. Others are residents of high-rise buildings, which physically does not have possibility to do that, but has a desire to consume natural, fresh food at a reasonable price! That is why they decided to create this kind of startup.

For the growing of high-quality products from the garden, they offer to the residents of the village, to buy their products at lower prices than the market. This makes it possible to grow the production of low cost.

The main purpose of Leto.ua is to create opportunities for population in farming sector.

Their mission is to encourage new people to work on the ground and to take it not as heavy physical work, but also a good income in the family. They encourage people to consume fresh, homemade, natural products!

India. There are 53 % of people works as farmers, but many people live very poor. One of reason is insufficiently developed system of exchange of experience farming. That is why in India exists DIGITAL GREEN social entrepreneurship that helps farmers to acquire the skills necessary for agriculture. Thereby farmers can reduce their costs and increase the productivity of their labor.

How does it work? Each farmer will be able to record a video with tips and to receive the video from another people. For three years DIGITAL GREEN

plans to provide online courses on the Internet for agriculture about 1 million farmers of the 10 000 villages of India.

1001 Fontaines in France. A social entrepreneurship has a mission to distribute water-cleaning technology all over the world. 1001 Fontaines draw local people for solving this problem. People helped the social enterprise and informed it about water cleaning technology that is why the population can receive water with low price. In addition, this social entrepreneurship activity wants to teach people the rules of saving water.

Solar Aid in Great Britain. This social enterprise wants to provide access to sunlight for African communities by creating a distribution network with local entrepreneurs. There are 110 million households, which are using kerosene lamps in African villages. These kerosene lamps are very dangerous, because they single out a harmful smoke and takes away near 20% of family income. That is why Solar Aid propose lamps on solar batteries. It costs 5 pounds and will be enough for one family for 5 years. Moreover, it is only 2% compared to the cost of kerosene. This social enterprise deal with Tanzanian entrepreneurs. They create solar concentrator to their communities and propose available and clean lighting. In addition, they give an opportunity of employment for population.

Instituto de Desenvolvimento Sustentavel Mamiraua (IDSM) in Brazil. They have created a project «Solar machines for the ice production». This social enterprise solves problems, which related to fishing, who do not have enough ice for fish freezing of what was caught. Besides, they cannot deliver it to the destination. They are planning to make 10 machines that will produce ice and work on a solar energy.

Therefore, the main driving force of social entrepreneurship is the value creating and effective solution of specific social problems. As a rule, social entrepreneurship is developing thanks to enthusiastic entrepreneurs. For the social entrepreneurship, development country (government) should create the national strategy for social entrepreneurship. It would coordinate the efforts of all stakeholders, businesses, donor organizations, public organizations and the state.

Conclusion

Social entrepreneurship is very important nowadays, because it is the key to the social balance and economic stability. It is very close to innovation, because it is an instrument for some changes in society. It is very important to know the history of social entrepreneurship, because it is a part of entrepreneurship development movement.

Nowadays we need social entrepreneurship very much, because it has a very big value during economic crisis, business and country development. Social entrepreneurship signals the need to stimulate some social changes. If we hear this signal, we will have positive changes in society. There are a lot of definitions of social entrepreneurship from different scientists, one of them is

Dr. Jan-Urban Sandal that social entrepreneurship as a form of management. The goal of this special form of management is to run a production function. This definition shows us the main thought of entrepreneurial activity. We see that the main purpose is to reach both social and economic value.

The main objective of social entrepreneurship is to create a value, because the result of successful entrepreneurship is equal rights, peace in a family, country and in the world. It is social progress, economic progress and freedom. It is to create new jobs, to help poor people, develop communities, help homeless, and animals, etc.

Social entrepreneurship plays a great role in our life that is why we should develop it every day.

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