

A REVIEW OF ROMANIAN SOCIAL ENTREPRENEURSHIP AND FURTHER RESEARCH AGENDA

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Abstract

This article aid the understanding of the social entrepreneurship (SE) phenomenon in the particular context of Romanian, drawing upon existing academic knowledge and practices of SE, exploring the present state of development, identifying existing shortcomings, and suggesting potential new research avenues. This comparative analysis identified five limitations that occur due to SE multi-disciplinary character and complexity of many settings. The study is based on various international organisations' analyses and Romanian government's SE reports. The study advances five research avenues that could enhance governments', academics' and practitioners' perspectives on SE and challenge existing scientific knowledge in this academic field.

Keywords: social entrepreneurship, social enterprises, social entrepreneurs, social economy

JEL Codes: A14; M13; O31; O35; P2; P31; P35

1. Introduction

Social Entrepreneurship (SE), along with private and public sectors is increasingly recognised as a potential source of economic and social development (Pcciotti, 2017). Studies of SE, social enterprises and the social economy in Romania are limited (Schmidt, et al. 2015), with researchers observing that SE literature about Romania has been largely descriptive (Bibu and Orhei, 2008; Arpinte, 2010; Constantinescu, 2012; Cace, et al., 2013; Barna and Vamesu 2014). Apart from the work of a few researchers (Bottoni, 2010; Dobre, 2013; Diaconu, 2015, European Commission, 2016), not much attention has been given to government strategies on SE in Romania. The objective of this paper is to outline the state of SE in Romania, including a review of the academic literature, serving as a basis for a proposed research agenda, increasing our understanding of the Romanian SE and social economy. This paper presents also, the state of Romanian SE integration into the EU Commission's Sustainable Development program (New York, 20 June 2016), enhancing SE research visibility and making it part of the regional and global political agenda, as the phenomenon is similar in other East European countries (Bibu and Orhei, 2008).

This article begins with definitions of SE, social enterprise, social economy, and social entrepreneurs, including taxonomies of all. The purpose of this overview is to identify emerging concepts in Romania and explain it. A short history of the evolution of SE in Romania follows, pinpointing organisational forms that are considered precursors of today's social enterprises in Romania.

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Thereafter, academic literature on SE in Romania is outlined, reviewing existing gaps in SE research, which are identified as further research agenda. The article's conclusion emphasise the potential of SE research in Romania to reach a similar level of analysis as in developed countries.

2. What is Social Entrepreneurship?

SE is not new, and has been around for some time, but has not been labeled as such (Dees, 2001). Some have likened SE to philanthropy (Ostrander, 2007), others have linked it to an organisation's socially responsible behaviors. Yet, others view SE as a means to solve social problems by implementing social transformation through commercial means (Mair and Marti, 2006; Short et al., 2009), a view that currently gaining currency.

Literature increasingly indicates that SE is a form of entrepreneurship (Shane and Venkataraman, 2000) that adopts a commercial approach to solve social problems. Creating profit is part of both business models, yet, in the case of SE, it has a social means and a social end. The market-based business model generates financial outcomes in the case of the social enterprises that address a social need (Haugh, 2005, Mair and Noboa, 2006). Seem that a well-received definition of SE is that proposed by Austin (2006), who states that SE is an 'innovative, social value-creating activity that can occur within or across the non-profit business or government sectors' (p. 371). Therefore, this paper adopts this definition of SE.

Definition of Social Enterprise

Literature indicates that social enterprises are a type of innovative firm that identifies social needs as a business opportunity. The new venture created has a hybrid character, as it employs a market-based business model and uses its outcomes to create social values (Haugh, 2005). These social ventures are instruments of social change that identify and seize opportunities, to alter society for the better (Bornstein, 2004, Dees, 2007). Social enterprises identify niche markets and provide basic services, such as healthcare, education, renewable energy, affordable nutrition, and employment.

The 'social' dimension of social enterprise is important. 'Social' denotes a firm's unique purpose of exclusively creating social equities, which fundamentally differs from the mission of commercial ventures which are exclusively focused on profit maximisation (Mair and Martí, 2004). The operations of social enterprises exhibit dual strategies, focusing on income for the organisation's survival, used to address various social needs. Therefore, social enterprises need to be financially sustainable to meet their social mission.

Perceiving the dynamics of social enterprises is difficult because of their diversity (Billitteri, 2007). The UK Department of Trade and Industry (2002) defines social enterprises as 'a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or the community, rather than being driven by the need to maximize profit for shareholders and owners' (p. 1). The European Union (EU) defines a social enterprise as an undertaking:

- whose primary objective is to achieve social effects, rather than generating profit for owners and shareholders;
- that uses its surpluses mainly to achieve these social goals;

- that is managed by social entrepreneurs in an accountable, transparent and innovative way, particularly by involving workers, customers and stakeholders affected by its business activity (Commission's Expert Group on Social Entrepreneurship, GECES, 2011).

The EU definition is both comprehensive and 'operationalises' the concept of social enterprise by embedding three key dimensions- that a social enterprise's primary goal is to create social value; it operates in a market-oriented business environment and its primary objective is to serve its identified community stakeholders. This paper adopts the EU definition of social enterprise.

Definition of social economy

The concept of the social economy comes up recently on the central stage of the academic debate. International organisations' (OECD, EU, GEM) and academics' efforts to present a common analytical construct and a universally accepted definition of the social economy failed "due to the difficulties in setting apart various forms of social economy entities" (EU, 2015).

Based on the above meanings of SE and social enterprises an idiosyncratic characteristic of the social economy can be identified as is concerned about the individuals' and communities' wellbeing, delivering social values over profit used for private indulgence. Logically embedding all the above meanings of SE and social enterprises, one may say that the *social economy entrenches the whole number of social enterprises existing at a given point in time, in a specific geographical area.*

Definition of Social Entrepreneur

Dees (2001) defined social entrepreneurs as individuals who embrace innovation to exploit new economic opportunities to pursue a social mission. Dees (2001) further notes that a social entrepreneur '... exhibits a heightened sense of accountability to the constituencies served and for the outcomes created' (p. 167). Similar views are shared also by Mair and Marti, (2004) and Haugh, (2006). These views emphasises the importance of an individual's personal qualities and attributes, such as persistence and determination in pursuing their social mission (Stephan and Drencheva, 2017). Specifically, Dees (2001) stated that social entrepreneurs are change agents in the social sector by 'adopting a mission to create and sustain social value' (p. 12) through unremittingly identifying new opportunities that serve their objectives within the legal framework and constraints of the resources available. In short, social entrepreneurs employ market-based practices to overcome social issues.

Zahra, et al., (2009) argue that not all social entrepreneurs are the same, identifying three types of social entrepreneurs: social bricoleurs, social constructionists and social engineers.

Social Bricoleurs

Baker and Nelson (2005) developed the concept of social bricolage, defined as a collage of 'whatever resources and repertoires one has to perform whatever tasks one faces' (p. 353). They stated that successful bricoleurs require inside knowledge of local conditions and available resources. To be clear about the meaning of social bricoleurs, Zahra et al. (2009) stated that: 'We call entrepreneurs who act on locally discovered

opportunities with locally available resources “Social Bricoleurs” (p. 524). This particular category of entrepreneurial characteristic focuses mostly on the entrepreneurial process rather than upon an individuals’ attributes and motivations for their business idiosyncrasies.

Social Constructionists

In contrast to social bricoleurs, social constructionists create social value by acting on the social status quo to introduce innovative solutions to social problems and create social ventures that contribute to constructing a better society. The social problems taken on board may vary from small scale to the national level. The latter will cause changes in the social fabric of communities; therefore, these individuals are labeled constructionists (Zahra, et al., 2009).

Social Engineers

In some countries, especially developing countries, individual and social entrepreneurial processes may be hindered by inadequate government institutions or deep-rooted corruption and favoritism of political elites that can thwart entrepreneurial processes. Social engineers ‘identify systemic problems within the social systems and structures and address them by bringing about revolutionary change’ (Zahra et al., 2009, p. 526). In the case of systemic problems, social engineers target national and global issues. Their approaches to solving social problems often conflict with the national political status quo and can subsequently be viewed as illegal. Social entrepreneurs’ taxonomy reflects the effective roles that they play at different points in new ventures creation and changes that they may bring at the social level.

3. Romanian social entrepreneurship past and present.

Studies of the historical development of SE, social enterprises, and the social economy in Romania is limited. SE in Romania generally followed Western European trends in the nineteenth century and the beginning of the twentieth century. Its roots can be identified in the nineteenth century in the activities of different professional and religious associations that emerged as a consequence of the need to provide various goods and services to Romanian communities (Osvat et al., 2012). At that time, these associations provided and distributed social services, such as medical assistance (hospitals) and education, throughout the country. For example, Theodor Diamant’s experimental agronomic and manufacturing society at Scăieni (1835 to 1836) was one of the first forms of social economy in Romania. Ten years later, the ‘Project for a Savings and Loan Association’ (1845) represented the first appearance of the cooperative sector in Romania. The activities of cooperatives became regulated by the Trade Code (1887), which was in force until 1903. In 1921, the first Romanian regulations on associations and foundations emerged. In 1948, cooperatives for workers with disabilities were established.

Epistemological elements of SE in Romania can first be identified in a coherent and written form in the neoclassical liberal philosophy of Ion Ionescu de la Brad¹ in the 1880s, which emphasised the need for equilibrium between ‘social and economic interests in enterprise activities’ (Sandu-Ville, 1971, p. 69). Similar views were later

¹ Romanian agronomist, statistician, scholar and writer.

formulated by Virgil Madgearu² in his 1929 paper, ‘Théorie du protectionism et de l’échange international’, published in Paris by Girard, in which he underlined the need to develop and adapt traditional forms of economic entities to protect against the perceived destructive character of industrialisation and mass production. This approach is known in the Romanian economic literature as the ‘industrial protectionism theory’.

Unfortunately, this trend was disrupted by World War II. Nevertheless, during this period, numerous charities and volunteer organisations flourished providing much-needed health care for wounded soldiers. At the end of World War II, when communism took hold, the social welfare state was installed and any social issues fell under the state’s responsibility. The communist regime in the period 1947 to 1949 dissolved over 1,000 associations and foundations that did not align with their philosophy, yet retained or created some cooperatives (Bottoni, 2010). For example, in 1948, the government created cooperatives to support workers with disabilities. Interestingly, the socialist structures absorbed all the professional associations (cooperatives), yet only partially assumed their mutual and social responsibilities, while leaving their economic status relatively unaltered. Cooperatives became much-needed employment entities that provided specialised services (e.g. such as tailoring and shoemaking).

During the post-communist era, from 1989, SE began to flourish again in Romania, stimulated by four major events. First, the communist welfare state - which had inhibited traditional Romanian social relationships of caring for others - came to an end. Second, the expected positive post-revolution socio-economic changes were confronted with numerous hurdles that hindered the progress of SE. Third, the transition from a planned economy to a market economy was marked by massive job losses and implicitly increased unemployment and poverty. Fourth, lack of social protection during this period exposed a significant part of the population to poverty. All these factors created a fertile environment for the development of SE (Diaconu and Watts, 2005; Barna and Vamesu, 2014). A few years later, as part of being accepted into the EU, the Romanian Government created legal and administrative infrastructures to implement social change and finance proactive initiatives to stimulate SE, using EU grants and self-established funds.

Romania became a full member of the EU in 2007. Romania’s newly created Foundation for Civil Society Development (FCSD) collected and analysed SE data and published these in the first edition of the ‘Atlas of Social Economy—2011’. A year later, under the same auspices (FCSD and ISE), and in correlation with data from the Ministry of Justice, National Bank of Romania, Register of Companies National Office and Employees National Credit Union, Barna and Vamesu (2014) wrote a report, ‘Making Social Economy Visible in Romania’. This report established that the social economy represented 1.9% of the national economy in 2012, up from 1.3% in 2011. In 2012, the Romanian social economy contributed to government taxes with 4.18% of gross domestic product (GDP), up from 3.04% in 2011, suggesting the number of social enterprises had increased and was growing stronger. Table 1 presents Barna’s (2014) analysis of the social economy in Romania and its structure.

² Romanian economist, sociologist and politician.

Table 1: Structure of the Romanian Social Economy

Type of Enterprises	No. of Active Organisations	Fixed Assets (Thousands RON)	Revenues (Thousands RON)	No. of Employees	Members (Thousands)
Associations and foundations	33,670	7,198,847	7,742,043	76,902	–
Cooperatives, comprising:	2,228	1,122,805	1,764,363	31,428	N/A
• craft/worker cooperatives	846	599,352	719,036	22,082	N/A
• consumer cooperatives	940	265,295	571,711	7,050	N/A
• credit cooperatives	86	86,371	156,339	2,049	N/A
• agricultural cooperatives	356	171,787	317,277	247	N/A
Credit unions, comprising:	2,767	3,624,190	589,143	5,403	3,028
• credit unions of pensioners	198	768,865	159,879	2,240	1,811*
• credit unions of employees	2,569	2,855,325	429,264	3,163	1,217**
Commercial companies held by social organisations	682	1,971,666	2,202,562	17,394	–
Total	39,347	13,917,508	12,298,111	131,127	–

Source: Barna, C., Vamesu, 2014. * Data supplied by the National Federation Omenia of Credit Unions of Pensioners and ISE estimates for unaffiliated organisations. ** Data supplied by the Romanian Employees National Credit Union and ISE estimates for unaffiliated organisations.

Table 1 illustrates the size of the Romanian social economy, representing 16.3% of GDP, and a positive trend, as entrepreneurial activity increased from 5.68% in the previous year to 6.92%, with the trend predicted to continue in the following years. Barna (2014) indicated that SE also demonstrated regional differences as a result of traditions, economic structures and the availability of resources. Most enterprises were created in the central part of the country (18.76%) and in the north-west (17.42%), while the region of the capital (Ilfov) alone recorded 16.23% of the total social ventures created (Pirvu, 2015). The analysis also demonstrated that the regions with the lowest number of enterprises were the south-west and south-east. The enterprises were active in the following social deeds: charity (28.64%), sports (16.39%), culture (9.16%), education (8.16%), environment (2.35%), and agriculture (3.29%). These data were also endorsed by the 2014 SEFORÎS Country Report for Romania.

Recently, the Ministry for Business Environment, Commerce, and Entrepreneurship was created, with responsibility for stimulating the creation of new enterprises, including social ventures. The Ministry is charged with providing funds and clear guidelines, governed by Law no.346/2004, which is in line with the European Commission (EC) Regulation Nr. 1.407/2013, on the creation and enhancement of SMEs. The Ministry's agencies now

monitor 6 programs that are important for the development of the business environment. However, the programs do not refer specifically to SE.

The Romanian Institute of Social Economy's latest report on SE (Vamesu, 2014) reported 100,335 jobs have been created by social enterprises in Romania, representing 2.3% of the Romanian workforce. Comparatively, the GEM Report (2011) on SE in the EU indicates for example that 7.5% of the active population in Finland, 5.7% in the United Kingdom, 5.4% in Slovenia, 4.1% in Belgium, 3.3% in Italy, 3.1% in France are engaged in the social economy. These data show that 1 out of 4 new enterprises created each year in the EU and up to 1 out of 3 in Finland, France, and Belgium, are social enterprises. This comparative data suggests a considerable opportunity for growth potential and job creation in the Romanian social economy.

The European Commission's 2016 assessment of SE in Romania highlighted social entrepreneurial initiatives are confronted with significant infrastructure issues that have the potential to depreciate social entrepreneurial initiatives. The Romanian government has adopted new legislation, strategies, and operational programs to improve the business environment, including the National Strategy for Competitiveness 2015-2020, the National Research-Development-Innovation Plan III 2015-2020, and the National Strategy on the Digital Agenda for Romania 2020.

Further, The European Commission Report (2017) on the Romanian entrepreneurial environment stated that the country significantly underperformed the EU average and identified specific issues the EU believed were hindering (social) entrepreneurial initiatives. The report recommended changes aimed at improving SE effectiveness, such as tax cuts and financial policies. Recommendations included increasing the level of company's turnover (from €100 000 to €500 000), to allow companies to fall into a category benefiting from tax cuts; and the elimination of several taxes.

A further step forward is the Romanian Government's newly created Romanian Entrepreneurship Agency which has the mission to nurture venture start-ups and scale-up. The Agency's objective is to drive strategic innovation and an entrepreneurial agenda, allocating public funding through grants, or establishing types of private-public partnerships leading to a higher birth and success rate for new ventures. The Agency will also develop a monitoring and evaluation system to provide relevant information to various bodies and interested organisations. How successful this agency will be, remains to be seen but, hopefully, it will provide a positive approach to increase entrepreneurial effectiveness, including SE in Romania.

After several decades of social, economic, and political transformation and upheaval, the Romanian perception of SE is experiencing significant positive change (Bibu and Orhei, 2008; Cace et al., 2010). Following Romania's affiliation with the EU, SE and social enterprises have received increasing attention from the EU, the Romanian Government, and various private organisations. A 2010 report by the Ministry of Labor, Family and Social Protection stated that the general perceptions of SE are positive, and all stakeholders believe that SE is a way to improve economic development by creating jobs and increasing the social development and inclusiveness of less fortunate social categories, such as youth and minority groups. Several researchers share similar views (Cace et al., 2010; Constantinescu, 2013; Osvat et al., 2012; Dobre and Mantea, 2013; Barna and Vamesu, 2014).

From uncertain beginnings, it is clear that the development of social enterprises and the social economy is becoming an increasingly important agenda for Romania, the Romanian Government, and good progress is being made. A critical issue, however, is the extent, depth, and availability of academic research into Romanian SE to guide and underpin this agenda.

4. Review of Literature on Romanian Social Entrepreneurship

A review of literature on SE in Romania it may be classified into the following broad categories:

- Studies into the integration and implementation of EU requirements for SE
- Studies by various Romanian Government agencies
- Independent studies of Romanian researchers.
- Studies by the EU and other international bodies into SE in Romania
- Academic studies into SE in Romania.

Each category is briefly outlined below.

Studies into EU requirements for SE in Romania

SE in its contemporaneous form has been largely imported into Romania from other EU countries. Since Romania became a member of the EU (1 January 2007), most of the studies have focused upon analysing the integration and implementation of EU requirements regarding the creation and implementation of frameworks for entrepreneurship and SE in Romania, the proliferation of social enterprises and the creation of a social economy and the importance thereof in Romania (Cace, 2013).

Studies by Romanian Government agencies

Romanian SE literature indicates several studies commissioned by various Romanian Government agencies. As earlier stated, the Romanian Ministry of Labor, Family and Social Protection (2010) reported that the general perceptions of SE are positive, and all stakeholders believe that SE is a way to improve economic development in Romania.

Romania has adopted EU recommendations for a comprehensive legal system of laws and policies that have an impact on SE. These recommendations were adapted to Romanian reality and the following legislation has been adopted: Law no. 122/1996 concerning the legal regime of employees' credit unions. Government Ordinance 26/2000 on associations and foundations; Law no. 540/2002 on mutual aid associations for pensioners. Law no. 346/2004 on stimulating the establishment and development of small and medium enterprises. Law 1/2005 regarding the organization and functioning of cooperatives; Law no. 448/2006 on the protection and promotion of the rights of people with disabilities; Law no. 62/2014 Law no. 346/2004 on stimulating the establishment and development of small and medium enterprises (Pirvu, 2015). The legal initiatives have yet to yield the expected results (Cace, et al., 2013).

Independent studies of Romanian researchers

In the Romanian complex, economic and social environment, it seems that Barna and Vamesu's (2014) report titled, 'Making Social Economy Visible in Romania' is the first

in-depth analysis of SE in Romania. Later on, Global Entrepreneurship Monitor (GEM) 2018 call in for an updated report on SE in Romania remained unanswered. Literature recorded also, Constantinescu's (2013) independent analysis focuses on the benefits of SE in creating jobs, integrating socially and economically various disadvantaged groups.

In their analysis of SE and social economy, Vamesu and Barna (2018) demystify the perspective on SE as the universal answer to all social issues, emphasising SE and social enterprises lack a continuum isomorphism. Their complex analysis reveals various social and economic issues that social enterprises are confronted with, enabling us to achieve a well-nuanced understanding of the territorial differences and dynamics of SE in the Romanian context.

EU and other international agency studies

The leading research activities of the ISE and GEM have analysed and recommended policies to achieve consistency and social inclusiveness in many countries, including Romania. One rich source of entrepreneurial data is the annual country report of the World Bank, 'Doing Business', which considers how easy or difficult it is for a start-up entrepreneur to create and run an SME in specific national contexts. To create an overarching comparison of countries, comparative data from other countries are also presented in this report ("Doing Business - 2016 - Romania"). Similarly, GEM has a comprehensive source of macroeconomic data on entrepreneurship in their country reports. Very specific and valuable research data can be collected from the European Commission's 2015 Country Report on Romania, which includes an in-depth review of the macroeconomic factors influencing entrepreneurial activities.

Academic studies into SE in Romania

Historically, a lack of in-depth and rigorous empirical research into Romanian SE has potentially hindered understanding of the development of SE in Romania (Cace, et al.2013). Recently, Romanian scholars have moved to fill this gap with a growing body of academic research into SE (Pirvu et al., 2009; Lambru and Petrescu, 2012; Orhei et al., 2012; Petrescu and Stanilă, 2012; Cace et al., 2013; Pirvu, 2015). This academic research into SE in Romania has tended to follow one of two paths: Either a focus on the role of SE in the national economy and society; or studies into processes and practices of SE in Romania.

The first avenue of academic research into SE in Romania highlighted academic discourses casting a light on the impacts of SE on economic policies, social structures, and cultural contexts. Much of this research focuses on various regional levels. While research into Romanian entrepreneurship and SE at this macro level may not be as comprehensive as that found in some Western countries, it is arguably the most representative area of academic research into SE in Romania. This first group of studies tends to be explanatory (Bibu and Orhei, 2008; Arpinte, 2010; Constantinescu, 2012; Cace, et al., 2013; Barna and Vamesu 2014), or focus upon analysing methods of SE implementation (Bibu and Orhei, 2008; Lambru and Petrescu, 2012) and the benefits of SE activities (Osvat et al., 2012; Dobre and Mantea, 2013).

The second avenue of academic research covers the theoretical understanding of SE in Romania. This research avenue becomes broader and deeper as new research directions open up, such as social enterprise funding and their sustainability, along with policy development for increasing their survival and various legal aspects that support the

process of social venture creation (Blaga, 2018). A synthesis of recent studies into Romanian SE and their contribution to the development of SE knowledge in Romania is presented in Table 2.

Table 2: Summary of Romanian Social Entrepreneurship Studies

Studies	Contribution	Focus
<i>EU requirements for SE in Romania</i>		
Bibu and Orhei, (2008). <i>Social entrepreneurship in the context of Romania's European integration</i>	<i>Differentiating entrepreneurship and SE and future development in Romania, in the context of EU</i>	Commercial and social enterprises
European Commission, (2017). <i>Specific Support to Romania – Starts-ups, Scale-ups and Entrepreneurship in Romania</i>	Opportunities and challenges of the SE and policy recommendations for start-up and scale-up in Romania	SE and social economy
Orhei, et al. (2012). <i>The social enterprise in Romania. An European perspective on their current situation</i>	<i>Uses a perspective of 'social and functional' competencies to define SE</i>	Commercial and social enterprises
Pirvu and Ion, (2014). <i>The evolution of social indicators developed at the level of the European Union and the need to stimulate the activity of social enterprises.</i>	<i>SE indicators developed at the level of the European Union, relative to the social objectives of the Europe 2020 Strategy</i>	Social enterprises
<i>Romanian Government agencies</i>		
Dobre and Mantea, (2013). <i>Social entrepreneurship and other models to secure employment for those most in need</i>	Reforms undertaken by Romanian Government in the fields of social economy	SE, social enterprises and social economy
European Union, World Bank, Romanian Government, (2014). <i>Atlas of Urban Marginalized Areas in Romania</i>	Provides the "Integrated Intervention Tool" to measure poverty and marginalisation and the social economy	Social economy
Ministry of Labor, Family and Social Protection, 2010. <i>Economia sociala – model inovator pentru incluziunea activa a persoanelor defavorizate,</i>	Social economy and inclusiveness	Social economy
World Bank and Romanian Government(2017) <i>Mission of the Roma Sounding Board</i>	Implementation of country's program relevant to the Roma inclusion agenda	Social economy
<i>Independent Research</i>		
Barna (2014). <i>Atlas of social economy in Romania.</i>	(Social) Entrepreneurship analysis and methods of implementation	Commercial, and social economy
Constantinescu et al. (2013). <i>Economia socială și ocuparea forței de muncă, Integrarea grupurilor vulnerabile</i>	Social economy and social inclusiveness, employment, inclusion	Social economy
Vamesu and Barna, (2018). <i>Social Economy and Territorial Development in Romania</i>	Social economy integrating rural territory	Social economy

EU and other international agency studies		
European Commission (2016). <i>Statistical reports on social enterprises. Romania</i>	Socio-economic impact of social enterprises	SE and social economy
European Foundation for the Improvement of Living and Working Conditions (1995) <i>Public Welfare Services and Social Exclusion</i>	Provides data and analysis for informing and supporting the formulation of EU policy on working and living conditions	Social enterprises and social economy
World Bank (2014). <i>Romania - Country partnership strategy for the period FY2014-2017</i>	Reduce poverty in Romania and foster sustainable income	Social enterprises and social economy
Academic studies into SE in Romania		
Arpinte et al. (2010). <i>Social economy in Romania. Preliminary approach.</i>	The role of social economy in local and regional development	Social enterprise
Cace et al. (2010). <i>Economia socială în România. Două profiluri regionale</i>	The role of social economy in local and regional development	Social economy
Cace et al. (2013). <i>Social economy in Romania - Challenges and perspectives.</i>	Evaluation of the social economy sector in Romania	Social economy
Diaconu (2015). <i>Regional economic disparities in Romania. Comparative analysis of the North-East and West development regions</i>	Social entrepreneurship contribution to employment	SE and social economy
Lambru and Petrescu (2012). <i>Trends and Challenges for Social Enterprises in Romania</i>	The role of the social economy in local and regional development	Social enterprise
Pirvu (2015). <i>Social enterprises in Romania</i>	Need for SE development and its current stage of development in Romania	SE and social economy

Source: Created for this study

The studies presented in Table 2 underline the increasingly multi-dimensional approaches to the study of SE in Romania. In addition to these studies, there have been several academic studies by young Romanian students who are studying or have studied overseas, emphasising various aspects of the SE process (Ministry of Labor, Family and Social Protection, 2010; Cace et al., 2010; Lambru and Petrescu, 2012). Together, academic studies reveal a richly growing development in the level of analysis and depth of the Romanian SE and social economy literature. Overall, it is increasingly apparent that SE and development of social enterprise in Romania are now gaining substantial academic attention from scholars like that in developed economies around the world (Lambru and Petrescu, 2012).

The following suggested research avenues of SE, social enterprises and social economy may constitute a step forward in academic research and could offer the opportunity to develop deeper insights into the dynamics of the SE phenomenon in Romania. The outcomes of these researches may apply to the rest of East Europe and developing countries around the world.

5. Further Social Entrepreneurship Research Agenda in Romania

After the fall of communism, the Romanian economic landscape dramatically changed and various foundations, co-operatives, mutual societies, and associations emerged (Barna and Vamesu, 2014, 2018). The process has many similarities with all Central and East European countries, with some national particularities (Monzon and Chaves, 2008; Bacq and Janssen, 2011). Moreover, the EU (2020) stated that: “The characteristics of social enterprises differ from country to country concerning their number, size, legal forms and fields of activities.” A similar statement was made by the GEM (2015) that there is no clear boundary concerning which social issues are the government's responsibility and which issues will fall into private or non-governmental organisations.

These aspects are important as theoretical and practical questions could be raised. Several researchers (Billitteri, 2007; Aponte, et al, 2019) emphasised the necessity of comparative and in-depth analysis of SE particularities (geographical/national) that may aid governments in elaborating more effective SE policies. One may say that a clear national regulatory environment, contribute to the expansion of SE and increase the number of the social enterprises, “as an alternative and complementary form of producing social welfare” (Cace, et al. 2011). The combination of the legal provisions and government-specific policies constitute a practical guide for social entrepreneurs.

The extensive diversity of social enterprises that operate in a variety of forms and industries may have a new and innovative business model that makes them successful (Lambriu and Petrescu, 2012, Blaga, 2018). In Romanian SE research, these aspects are only mentioned at best and therefore solid empirical research is needed (Cace et al., 2013). Based on these considerations the following research avenue will be beneficial to the Romanian government and academics in developing effective SE policies that may assist SE expansion with social and economic benefits.

1. Examination of social entrepreneurial processes, practices and business models that work in the specific Romanian context

The aim of this broad stream of research will contribute also to a better understanding of the social entrepreneurial process, social venture creation and how the SE process unfolds over time in the specific context of the Romanian economy, society, culture, and legal systems as stated by Cace (2013) and Pirvu (2015). By achieving this desideratum, Romanian SE research could be put at the forefront of the world SE research.

Many academics - economists, sociologists, psychologists, and management scientists focused their research attention on two main aspects: new venture creation and individual entrepreneur's attributes needed to succeed during the difficulties of the process of venture creation. This paper emphasise the need to investigate how these new firms are performing in delivering social value over time, and which factors contribute to their success or failure. Seem that many contextual factors are playing an essential role in company survival, such as legal provisions to support the new venture, the existence of capital or access to finance, organisation's size and the number of new entrants on the market are important elements of new venture survival as stated by Cunneen and Mankelow (2010). This paper stresses the need to get over the optimistic idealism of SE literature and analyse factors of failure (Pcciotti, 2017).

In response to this approach, Blaga (2018) suggests a complex sustainability framework for social enterprise sustainability, embedding all elements of commercial and social enterprises into a framework needed for a company to successfully deliver social value. Despite these few types of research, the area remains virtually unknown. Even if the elements of the business model are correctly and fully identified, there could be geographical/national variations that may produce over time different effects in a different context. Therefore, the request for further research into:

II. How to promote stable and sustainable social enterprises in the Romanian context remain valid which is also a worldwide desideratum.

By following this research avenue, scholars could elaborate and promote possible solutions that will preserve social enterprises' capability to maintain and remain over time, dedicated to their social purpose. This stream of research may contribute to a convergent view of social enterprise policies, covering their development, proliferation, and success in delivering social value as advocated by academics and international organizations such as OECD and EU and should be reflected in academic research.

In the last two decades, national governments passed legislation and issued various public policies aiming to create an enabling environment that accelerates the social entrepreneurial process. Researches on SE development (Short, et al., 2009) emphasise the importance of public policy and regulatory mechanisms in the process of creating new social ventures. Indeed, Nicollas (2010) emphasis the view that the creation and sustainable development of new social enterprises depends on how government institutions and their SE policies "typically enacted a range of rationalities driven by external sociological factors and path dependencies" (p. 71). Moreover, Nicollas (2010) suggests that further analysis is needed and should have a normative orientation in terms of the social environment required for SE development. A promising SE research avenue could be the investigation of SE from the perspective of institutional theory, originating in organisation studies (Bylund and McCaffrey, 2017), that may identify how social enterprises establish them self in society and which managerial principles need to be considered to survive.

Concurrently, several Romanian researchers have a similar view asserting that there is much to do in this area of academic research (Bibu and Orhei, 2008). For instance, Orhei, et al., (2012) asserts that "in Romania, very little research has been conducted into this field" (p. 756), meanwhile, Lambru and Petrescu, (2012) identifies specific policy that supports the social enterprises in Romania. Alternatively, Cace, et al., (2013) asserted that analysing the social firms in their social and market environment, trough the institutional theory lens is somehow curtailed as there are different theoretical approaches to the social enterprise economic framework.

Based on the above rationality, we believe that the following research avenue will be useful to academics, policymakers, and especially to SE practitioners:

III. Examination of Romanian legal, institutional and government policies to support and strengthen social entrepreneurship and social enterprises in Romania

Incidentally, probably a useful approach to Romanian SE researchers could be comparative research of SE policies, legal systems, and initiatives applied in various East

European countries that could support the infrastructure developments and could be of benefit in developing SE in Romania. This approach will also contribute to the convergence of SE policies as recommended by academics and the EU.

SE literature evolved around three main subjects: social entrepreneurial activities, which are seen as an indicator of economic health, the occurrence of SE, and individual's entrepreneurial behaviors. SE and entrepreneurship in the commercial world are different in many respects, including individuals' motivations for pursuing social entrepreneurship, rather than commercial entrepreneurship (Aponte, et al. 2019). Little appears to be known about individuals' motivations to pursue social entrepreneurship, especially in developing economies, such as Romania. Therefore, intention for SE and the motivations that drive this intention needs to be explored and the following research question becomes valid:

IV. Individual's motivations that encourage (or discourage) their engagement in SE in the Romanian context and elsewhere.

Social entrepreneurs' behaviors are complex, with many factors influencing them. The above research avenue could become a possible research path in an examination of motivations for SE in Romania and any other country. Moreover, this research avenue could explore the roles of specific variables – such as the influences of social norms, personal agency, and many more – on SE motivations and the process of social venture creation. This research avenue may also shed light on potential government legal and/or policy support that would encourage or discourage new social venture creation. Though, we believe that the aforementioned research avenue has a strong potential for the advance of the SE research in Romania and worldwide.

Society is confronted with a continuous increase of the social needs that may not be satisfied by governments and therefore societies as a whole are looking for innovative, efficient, and sustainable ways to address endless social problems. In this context, social enterprises and social entrepreneurs assist communities by supplying “social good” (Mair and Noboa, 2006) which could become also an important field of academic inquiry in Romania (Cace, et al. 2010; Cace, et al. 2013).

There is an agreement between researchers that recognise SE as a vector of social and economic development that builds a resilient and pluralistic social economy (Ali Kazami, et al, 2016). This view resonates also with Romanian researchers (Cace et al, 2010; Barna and Vamesu, 2014, Pirvu, 2015). Furthermore, we believe that a new report on SE, social enterprises, and the social economy in Romania is overdue. Hence, the following suggested research avenue is timely and beneficial to all SE stakeholders – government, academics, and practitioners.

V. Impacts of SE and social enterprise on the Romanian economy and society

At the national level, new data on SE and social enterprises may exist at some government departments, but it seems that this data is not available on the public domain, and therefore are not accessible to researchers. A new report, following Barna's (2014) examination of the state of SE in Romania, will offer consistency in data collection, processing, reporting and facilitate comparative analysis. Such a report has a certain level of urgency with beneficial effects on SE, social enterprises, and social economy by

providing essential information to develop effective and efficient policies and supporting much needed empirical research on SE in Romania.

However, these proposed broad research agendas are focusing primarily upon developing a better understanding of many aspects of the complex process of SE in the specific context of Romanian, informing, enhancing and enriching our understanding of how SE works in the wider global community.

6. Conclusion

This paper presents the evolution of SE research in Romanian, identifying a few shortcomings that reflect a general deficiency in existing academic research, partially due to SE complexity in its many settings, mirroring also significant changes in the progress of organisational theories. The new research avenues proposed may apply also to SE research in the rest of the East European countries, EU, and worldwide which stresses the generality and importance of these new research avenues proposed.

By addressing these research questions, Romanian SE research could go a long way in supporting the development of a SE theory, providing essential information for further academic research, and offer governments valuable information in developing effective and efficient SE policies. This knowledge could place Romania amongst the forefront of nations demonstrating how SE works and the benefits emerging from it.

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