

Research framework

SENS NETWORK

Tartalom

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1. Empirical research framework for social entrepreneurship sector in the Hungarian-Slovenian border region

1.1. The aim of the research

The surveys carried out within the framework of this program are aimed at exploring the social enterprise sector in two counties of Western Transdanubia region. The overall purpose is to give a detailed view on the functioning of social enterprises, developmental opportunities of the sector and the existing and potential relationships and forms of cooperation between the stakeholders. Moreover, the surveys also deal with other actors of the field e. g. supporting and other umbrella organisations, initiatives and institutions promoting social entrepreneurship and potential new participants and investors of social enterprise sector.

1.2. Context and objectives

The primary objective of the project is to promote economic development and cooperation in the Hungarian-Slovenian cross-border region through the improvement of the social entrepreneurship sector and the intensification of interactions between the stakeholders. The main tool of reaching these goals is the creation of a support network whose activities aim at the yet active organisations of the social entrepreneurship sector and also those actors who would be interested in setting up social enterprises, but there are various obstacles hindering them to do so.

In order to be able to effectively plan and develop the activities and operation of the supporting and mentoring network it is necessary to have a thorough and comprehensive picture of the current state of the sector. In addition to defining the scope of social enterprises and mapping their operational features, this also requires getting know the details of experiences and needs of the enterprises and other organisations working in and cooperating with the sector.

Adapted to the general goals mentioned above, the planned empirical studies set the following objectives:

1. Defining and characterizing the scope of actors of the social entrepreneurship sector

Objective: Identification of actors and investigation of their operational features (e. g. distribution among organisational types, sectoral distribution of activities, share of social enterprises in employment and revenues, enterprise demographics within the sector). In addition to presenting the general situation analysis, it also serves as a basis for determining the basic population and developing the sampling frame of the questionnaire survey.

Tool: Secondary data analysis on the operational features of social enterprises. HCSO registers for economic and non-profit organisations and the relevant municipal-level databases of T-STAR and NTCA can be used as data sources. The list of the organisations involved as well as the operational access sampling frame for the questionnaire survey will be compiled using commercial company databases.

2. Assessing the operational experiences and needs of the social entrepreneurship sector

Objective: Gathering information on the subjective perception of the operating conditions of social enterprises. Exploring existing and potential interactions, networks and other forms of cooperation between stakeholders with special regard to cross-border cooperation.

Tool: Quantitative primary data collection with questionnaire survey. The basic population of the survey are the organisations of the target area identified as social enterprises. In the second step a focus group is planned to be held with the participation of the representatives of social enterprises. The exact content frame of the focus group can be specified after the main conclusions were drawn and focal points were identified from the results of the questionnaire survey. Participants of the focus group will be chosen either by the data obtained from the questionnaire survey and recommendations by experts and supporting organisations.

3. Exploring organisations and institutions working in the broader environment of social entrepreneurship

Objective: The functioning of the social entrepreneurship sector is significantly affected by the legal and institutional environment. Through investigating the experiences and suggestions of the institutions involved, we can obtain important information on external factors that affect the functioning of social enterprises. It is also important to gather the experience and opinions of organisations that provide an integrated framework for the operation of social enterprises and ensure supporting functions for the sector.

Tool: Two focus groups will be organised to explore the views of the organisations and institutions involved. One for the representatives of the institutions involved in as governmental, local government and professional organizations (ministries, municipalities, chambers). Participants of the other focus group are representatives of organisations whose activities are aimed at bringing together, assisting, and advocating businesses in the sector.

4. Mapping potential new actors of the sector

Objective: There are various obstacles to the growth of the social entrepreneurship sector. We can only identify a certain scope of these obstacles as a starting point. These include the general lack of information on social enterprises, the unpredictability of grant funding sources that are significant in the revenue structure, significant administrative burdens, and the competitive disadvantages compared to 'standard' market players. The range of impedimental factors must be explored as widely as possible from both an internal and an external perspective.

Tool: In the focus groups to be conducted for Objectives 2 and 3, we can get to know the obstacles from an internal perspective. In order to get an insight into attitudes from 'outside', we need to ask actors who are striving to set up social enterprises, but they are facing obstacles in doing so. The survey on this field will be conducted in the form of in-depth interviews.

2. Scope of social enterprises

In order to determine the range of organizations targeted in the questionnaire survey, it is necessary to develop an operational definition of social enterprises.

The concept and definition of social enterprise, characteristics of the specific operational activities of such organisations cannot be considered to be entirely clear either in domestic or international literature and legal practice. In general terms, we can identify organisations that cannot be unambiguously and exclusively engaged either in the market or the public sector. However, we cannot say that social enterprises are only located in the non-profit sector. If social enterprises are included in the social economy, we must position them on the border between the business and the non-profit sector.

There are several criteria in the literature that can help to identify the range of social enterprises. The most widely used criteria in European practice have been developed by the EMES (The Emergence of Social Enterprise in Europe) research network, and the definition framework used by the European Commission rely heavily on this. The criteria system uses three dimensions - economic, social, and management. In essence, the economic dimension reflects on the separation of non-profit sector while social dimension contains delimitations from pure forms of the for-profit sector. Elements of the criteria system essentially include:

Economic dimension:

- continuous activity producing goods and/or selling services
- significant level of economic risk
- minimum amount of paid work

Social dimension:

- explicit aim to benefit the community
- initiatives launched by a group of citizens or civil society organisations
- limited profit distribution

Management dimension

- high degree of autonomy
- decision-making power not based on capital ownership
- participatory nature

Starting from these grounds, one can classify an organisation as a social enterprise through two basic approaches. In the first case, we need to evaluate the activity of a particular organisation on the side of whether it has a particular social purpose in mind during its operation. The other approach attempts to define the scope of social enterprises based on the organisational and operational form. Although via the first approach, the real scope of social enterprises can be grasped more functionally, we have to apply the second to our research. There is no way to set up a sampling frame for quantitative research in a way that is based on social goals that can be identified in the functioning of organisations.

Based on this, the following organizational forms are referred to as social enterprises, thus defining the basic population of the survey:

- endowments with at least one employee and minimum yearly revenue of 1 000 000 Ft
- associations with at least one employee and minimum yearly revenue of 1 000 000 Ft
- church organisations with at least one employee and minimum yearly revenue of 1 000 000 Ft
- non-profit business organisations with at least one employee and minimum yearly revenue of 1 000 000 Ft
- social cooperatives

Based on the HCSO economic organisation register, the number of these organisations can be identified for the target area /Table 1/, thus the basic population can be determined. Data only applies to working organizations.

Table 1 Number of organisations categorized as social enterprises in the target area, 2016

<i>Type of organisation</i>	Vas	Zala	Total
Non-profit (endowment, association,	200	252	452

NP business organisation)			
Church organisation	11	11	22
Social cooperative	25	47	72
Total	236	310	546

3. Survey design of questionnaire survey

3.1. Sampling and data collection method

The number of cases to be achieved during the questionnaire survey is 100. Based on the experiences of the company questionnaire surveys, it can be stated that an operative sample with at least four times of proposed case number should be used to secure the target. Taking all of these into consideration, it is not possible to use standard sampling techniques in this case. Instead, an access sample frame is created for the entire base population, and we make a complete inquiry via online survey.

The survey is assisted by the Limesurvey online survey tool, which provides automatic list management and builds the finished data structure.

3.2. Proposed subjects for the questionnaire survey

Below are the suggested thematic blocks of the questionnaire.

1. Basic data on the respondent and the organisation (position, founding, ownership structure, form of business, field of activity, etc.)
2. Basic business data, structure of revenues and expenditures (revenue of economic activity, grant resources, other forms of financial support, etc.)
3. Employment structure (number of employees, nature of employment, age structure, employment of disadvantaged people or people with changed working abilities, etc.)
4. Motivations for foundation and operation (social purpose, social utility, target groups to be achieved, etc.)
5. Perception of social effects (consciousness, forms of measurement, etc.)
6. Success and risk factors of operation

7. Legal and regulatory environment
8. Interaction and cooperation (other business fields, local government, professional bodies, supporting and mentoring organisations, etc.)
9. Experience and opportunities of cross-border cooperation

4. Preliminary remarks on qualitative survey elements

Determining and designing the scope and content of in-depth interviews and focus groups that are part of the research is an important step in parallel with the initiation of the research process, but it is advisable to carry out the finalization and clarification in the knowledge of the results of the questionnaire surveys.

Proposed schedule of research activities

	Week															
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Quantitative research																
Finalizing of detailed research plan																
Compilation of access list for sampling frame																
Operationalization and final questionnaire																
Programming of questionnaire for online surface																
Conducting questionnaire survey																
Preparation of database for analysis																
Qualitative research																
Compilation of access list of supporting organisations and institutions																
Preliminary formation of interviews and focus groups (subjects, participants)																
Finalising and clarifying interviews and focus groups																
Conducting interviews and focus groups																
Analysis and report																
Initial analysis of quantitative data																



Transcription and organisation of information from qualitative surveys																			
Compilation of comprehensive report of results																			
Coordination with the partner on content and findings of the analysis																			
Finalization of research report																			