

# Success Factors of Social Entrepreneurship: A Case Study of the Russian Far East

**Valentina Zhokhova\***

Postgraduate and Post-Doctoral Education Department  
 Vladivostok State University of Economics and Service  
 Chernyakhovsky str. 9/172, 690109 Vladivostok  
 Russian Federation  
 e-mail: valentina.zhokhova@gmail.com

**Daria Sokolova**

School of Economics and Management  
 Far Eastern Federal University  
 Sukhanova str. 8, 690000 Vladivostok  
 Russian Federation  
 e-mail: sokolova.dand@dvfu.ru

**Larissa Lehtyanskaya**

Department of Management and Economics  
 Vladivostok state University of Economics and service branch in Nakhodka  
 Ozernaya str. 2, 692902 Nakhodka  
 Russian Federation  
 e-mail: lirika20042004@mail.ru

**Abstract** When it comes to the social firms' performance, currently there is a huge interest in this issue. Some authors suppose that there is a correlation between human capital and success. Although, the interrelation between human capital and the firm's success is not known yet.

Our paper aims to identify the main success factors for the entities working within social entrepreneurship in Primorsky Krai located at the Russian Far East. Particularly we assume that human capital plays an essential role in social entrepreneurship success. However, little is known about human resources aspects of the firms having social impacts. The paper draws on in a precise manner a social firm's success factors in scientific literature generally and social entrepreneurship particularly to clarify gaps. Based on these findings, we formulate the leading success factors of the social entrepreneurship. There is no vital research to be found which establishes the success factors of social entrepreneurship. Human capital theory is the basic framework suggested to be the inclusive framework for social entrepreneurship success. This is proved by our empirical study based on the case method.

**Keywords:** *success factors, social entrepreneurship, leadership, Russian Far East*

## 1 Introduction

Social entrepreneurship which has its main priority in ensuring the social value is in difference from the economic one is developing within the institutional, political, economic, and social changes taking place on the global and local levels, and promotes very quickly the growing number of the organizations (Weerawardena and Mort 2006; MacMillan et al. 2008; Alvord et al. 2004). With regard to the above, some new contradictions of the "social entrepreneurship" concept determination are observed (Thompson 2002; Alter 2007; Peredoa and McLeanb 2006; Austin et al. 2006), and the questions determining development and success factors of the entities performing their activities within social entrepreneurship are still low-researched (Boschee 1995; Dees 1998; Thompson et al. 2000; Seelos and Mair 2005; Austin et al. 2006; MacMillan et al. 2008; Certo and Miller 2008; Ruebottom 2013).

The problem of the firms' success is actively discussed inside scientific and business communities in Russia and abroad. In the market economy reality, a great number of firms appear daily, but the considerable part of them does not sustain the competition or is inefficient. What is social entrepreneurship and what are the reasons of the organizations' success or failure; why some companies are becoming world leaders, and the others stop their existence? Some authors say that success of the firm's activities depends on owner's intelligence; personnel and human resources potentially play an important role for an entity. The others say that an entity's success in the conditions of the stable production technology is determined by the price level for the goods.

In order to identify social entrepreneurship success factors the authors use various qualitative research methods. The most known publication based on research inductive method belongs to the authors Peters and Uoterman, where the “Model of McKinsey 7C” is offered (Blum 2016). The model furthers the main “empirical rules” design, recommended to an entrepreneur to ensure the successful entity and to determine the best strategy implementation way of an emerging company.

Based on existing theory and original ethnographies of seven firms we have studied what social entrepreneurship and what might be the factors is providing success for such companies via case-method. The reason of this method choice as a preferable research strategy is need of a modern phenomenon analysis in the real context of its existence, and insufficient number of the studied objects to carry out the analysis. The study objects are the entities performing their business activities within social entrepreneurship in Primorsky Krai located at the Russian Far East. The received results might be useful for newcomers who are going to start their business in social sphere; for the government that might provide some special economic conditions for such firms and for the scientists working out the social entrepreneurship theories.

## **2. Literature review**

### **Main conceptual bases of social entrepreneurship**

Numerous social entrepreneurship researches revealed that there is no still a clear “social entrepreneurship” concept definition. Researchers determine that the overview of literature is fragmented and there is no unified approved theoretical basis. Conceptualization of social entrepreneurship does not consider unique characteristics of social entrepreneurs and a context in which they shall work (Weerawardena and Mort 2006).

The researcher Dees (1998) determines social entrepreneurship characteristics: “adopting a mission to create and sustain social value (not just private value); recognizing and relentlessly pursuing new opportunities to serve that mission; engaging in a process of continuous innovation, adaptation, and learning; acting boldly without being limited by resources currently in hand; exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created” (Dees 1998; Peredo and McLeanb 2006; Martin and Osberg 2007). Austin and Stevenson claim that social entrepreneurship main characteristics are sociality, innovation, and orientation to the market (Austin et al. 2006). The author Alter considers that social entrepreneurship is a new way of social-economic activity, which joins an organization’s social mission, entrepreneurial innovation, and stable self-sufficiency achievement (Alter 2007).

However, at the same time, many authors confirm that the social mission and value are the central links of social entrepreneurship entities (Certo and Miller 2008; Peredo and McLeanb 2006). The certain number of researchers proves that mixed mission including social and economic components might have great importance for social entrepreneurship (Seelos and Mair 2005; Mair and Marti 2006). The author Thompson believes that entrepreneurship social strategy is confirmed by activity and acquisition of income by force of money and time donation (Thompson 2002).

Low receptivity to a number of social problems to traditional influence measures used in state and non-commercial sectors; stable coexistence of the market and non-market, developed and emerging segments of social and economic life in each country; deepening of inequality between social groups and countries; expansion of population’s social needs; growth of number of non-profit organizations and competition between them for state resources; improvement of charity foundations managing put the commercial, non-profit, and state organizations before need of change of their role in social security and social problems solution sphere (Austin et al. 2006). Entrepreneurial intent is the state of mind that directs and guides the actions of the entrepreneur toward the development and the implementation of new business concepts (Tran and Von Korfflesch 2016).

According to the scientific articles review we have made in the period of 1995-2015 years, we revealed that social entrepreneurship specific characteristics are distinguishing from traditional ones: social mission prevails over commercial one, social value and social responsibility creation, transformational leadership and charity (see Table 1 below).

### **Key social entrepreneurship theory**

Many modern foreign researchers pay much attention to human capital role in different types of entrepreneurship success. In their opinion, social entrepreneurship demands various configurations of human capital (general human capital) in difference from commercial entrepreneurship, explaining it by the companies’ specified activities within social entrepreneurship (Estrin et al. 2016). The authors of the similar studies investigate commercial entities’ multi-level structure within social entrepreneurship, analysing their similar and distinctive characteristics, including human capital importance. General and specific types of human capital are determined in the economic approach context by Schulz and Becker (Becker 2003). Becker assumes: “one of the most

important representation in the analysis of a human capital is differentiation between the general education and special preparation or between general and specific knowledge” (Becker 2003).

**Table 1.** Human capital aspects study in social entrepreneurship (interview method)

Characteristics	The respondents' answers to the questions
<b>1. Human capital main characteristics</b>	
Education	<ul style="list-style-type: none"> <li>- “I am Chinese and English languages teacher ... this profession is very close to me”;</li> <li>- “I am a teacher, the psychologist and the musician. Firstly, I’ve graduated musical school ...”;</li> <li>- “I am an elementary school teacher and since 1979 I have been working at school ...”;</li> <li>- “... that I am still a teacher ... I got education in the Far Eastern Technical university, major - social work! Therefore, I am the social worker”; etc.</li> </ul>
Hard skills	<ul style="list-style-type: none"> <li>- “I know well, for example, school programs and I know how to organize these or those excursions”;</li> <li>- “I worked as the methodologist managing methodical association ... attended many various courses, used many new techniques during the work ... I know work with children well”;</li> <li>- “We have begun to gain many diplomas, recommendation, and letters of thanks ...”; etc.</li> </ul>
Previous experience	<ul style="list-style-type: none"> <li>- “I have always participated in various Russian national collectives since my childhood. We sang, left with the tours, played instruments”;</li> <li>- “I was a musical director, the music teacher”;</li> <li>- “Why musical education is basic for me? This training is “in private”. Pianos, etc. are the special subjects ... and not big classes – i.e. receiving the teacher’s personal experience and professional knowledge”;</li> <li>- “... when I opened the Centre there was already an experience, an accurate miscalculation, and understanding how to get into the market and how to advance this service”;</li> <li>- “All life I have been working with the preschool children, also I have been working with school students and with the senior school students”;</li> <li>- “I will repeat once again: “I know this work from within, not by hearsay, it was respectfully and logically for me to be back to the same path ...”;</li> <li>- “I have been working for 27 years at school as the teacher”; etc.</li> </ul>
Development in the adjacent professional areas	<ul style="list-style-type: none"> <li>- “I am a musician, I script, I write music ... I was implemented for 150%... as an administrator and as a creative person”; etc.</li> </ul>
Achievements	<ul style="list-style-type: none"> <li>- “And today I am the chairman of the preschool educational organizations association”;</li> <li>- “I have copyright certificates, I have a collection, my edition - my “Book of scenarios””;</li> <li>- “I am involved in author's activity...published in Moscow state university”;</li> <li>- “I am an excellent student of national education”; etc.</li> </ul>
Responsibility for work quality	<ul style="list-style-type: none"> <li>- “We have more successful graduates; we have more feedbacks ... if you try – work honesty”;</li> <li>- “The child is always surrounded by the attention, love, and the careful teachers understanding and loving their job”;</li> <li>- “... we address to the quality of education”;</li> <li>- “It is connected with my requirement, and our clients’ one that children need to get qualified education”; etc.</li> </ul>
<b>2. Special characteristics of human capital</b>	
Advantage for society	<ul style="list-style-type: none"> <li>- “We haven't casually chosen the Russian cultural orientation in business ... this is huge field for creative, musical, and design activities ...”;</li> <li>- “What always moved me - it is the idea, this desire to do what I do well, to bear advantage to children, their parents, teachers who are near to me. It is the main engine”;</li> <li>- “We have brought benefit for that family, for that child. Not for nothing we have been staying with them for 5-6 years”; etc.</li> </ul>
Entrepreneurship’s social value	<ul style="list-style-type: none"> <li>- “Social entrepreneurs are the people movable, first of all, by the idea;</li> <li>- “We are moved by absolutely other motives than getting profit. It is the result, which we see in our children. From everyone from year to year the graduates who are coming to the stage, and leaving for school. When we receive feedback from teachers that children are prepared good, it is easy to work with them ...”; etc.</li> </ul>
Family’s influence	<ul style="list-style-type: none"> <li>- “From the most young age I wanted to work with children, to self-actualize creatively”; etc.</li> </ul>
Dedication and responsibility	<ul style="list-style-type: none"> <li>- “Without investment of the soul, heart, blood, and sweat – nothing will turn out”; etc.</li> </ul>
Charity	<ul style="list-style-type: none"> <li>- “Our company never denies help to anybody, veterans address us, we provide them buses; educational institutions address us in any case - mournful cases, joyful cases we always provide the buses”; etc.</li> </ul>

Source: Own results

Such differentiation between general and specific knowledge is carried out based on possible assessment of their use, when a person moves from one entity to another, i.e. transferability of a worker's knowledge (skills) between the firms. Professional education provides knowledge, skills and experiences, which are identified as a source for entrepreneurship in general and for social entrepreneurship (Corner and Ho 2010).

Social entrepreneurs create the cost of their entity in a different way from the commercial ones. They provide goods and services not for the market or the state, but for the solution of many-sided social tasks. Both skills and knowledge are important for all types of entrepreneurs. In particular, social entrepreneurs shall apply general human capital possibilities, which are also financially viable and may have positive outer effects. Besides, the social entrepreneurs' activities shall be actively included into local communities to mobilize resources and to stimulate broader social impact in society (Estrin et al. 2016). Many authors state that the general human capital which is connected with more various informative prospects can have rather bigger value for social entrepreneurs, than for commercial ones (Mair and Marti 2006; Zahra et al. 2009).

### **Firm success phenomenon**

There is simple definition of the phenomena "success", "successfulness". The brief summary of the phenomenon "success" according to the theoretical interpretations in the modern realities distinctly shows the phenomenon "success" is defined in a multidisciplinary format - economics, political science, sociology, cultural science, psychology, etc. Some foreign and local scientists consider "success" through a person's results during vigorous activity. Here "success" has the personal character determined by the economic actor individually, i.e. for each entrepreneur the concept of "success" is determined individually. Following this concept to consider the phenomenon "success", it is necessary to concern its subjective component – an economic actor's satisfaction with his business activity.

Foreign researchers consider a phenomenon "success" through interrelations, contradictions, and objectifying of the notion's components (Jensen 2001; Brown 2006; Romar 2009). The authors in their concepts allocate the main success indicators of a firm: degree of its welfare through implementation of "nice" relations between competitors and maintenance of the whole network wellbeing of which participants they are, also building the relations with the stakeholders determining firm's success. Foreign authors paid special attention to study the factors influencing success of small and medium business. Among them are noted: possibility of business failures (Brown 2006), the entrepreneur's motivational opportunities (Wang et al. 2011), and the informal relations influence in business (Berger-Walliser et al. 2011). Among the factors affecting positively on a firm's success are the employees' professional skills, infrastructure, and financial resources availability. Many scientists and business people suppose that the social entrepreneurship firms become successful when the founders create "something good" directly for society, i.e. realize such business model which makes people's life better; at the same time speaking about social entrepreneurship success, it is necessary to consider social context of the specific entity (Dees 1998).

A firm's success is promoted by innovation (Dees 1998; Christie 2006), initiative in entrepreneurial behavior (Thompson 2002; Cochran 2007; Tapsell and Woods 2010; Carsrud and Brännback 2011), additional financial resources attraction (Boschec 1995; Thompson et al. 2000; Thompson 2002), venture capital (Boschec 1995; Austin et al. 2006; Cochran 2007; MacMillan et al. 2008; Certo and Miller 2008). The attracted capital provides organizational infrastructure's financing, strategy and business development to social entrepreneurs. But a new social firm's success cannot be measured only by venture capital's financing, it depends on an entrepreneur's capability to perform business activity, skills to plan and manage, and also to make social networks and favor the external support, including encouragement from the government and the other corresponding interested persons (Lan et al. 2014). An entrepreneur's education, professionalism, consulting, additional educational programs; innovation, entrepreneurial behavior's initiative, and also training in social entrepreneurship of the university students cause an entrepreneur's success and promote social entrepreneurship advance (Shane et al. 2003; Weerawardena and Mort 2006; Tapsell and Woods 2010; Carsrud and Brännback 2011; Chang et al. 2014). The authors mark out the major factors influencing social entrepreneurship entities' success: political, economic, and social (Seelos and Mair 2005; Chell et al. 2010), rhetorical strategy (rhetorical resources) (Ruebottom 2013). Success elements of the social entrepreneurship entities are determined by the author Blum, they are: human resources, communication, alliances, lobbying, social business's profitability, replication (franchise), and stimulation of market forces (Blum 2016).

### **3. Research design and methods**

The ethnographic data are taken from a field study of 7 firms performing there activity as social entrepreneurship in the sphere of education (private kindergartens) and tour operators including one pilot study in Vladivostok city, Primorsky Krai in the Far Eastern region of Russia.

We carried out the qualitative study of the firms' success factors performing their activities within social entrepreneurship in Primorsky Krai on the base of case-method in the period of May 2016 to December 2018 including interview with the social entrepreneurs; observation of the entity's every day activity; statistical and archival data analysis. The study sample constitutes of 4-10 cases (Eisenhardt 1989) recommended by the competitive platform of the social projects "Energy of Participation" (Vladivostok city); by the activists of social entrepreneurs "GrowUp" (Vladivostok city); the competitive platform "Fundraising School" for the social non-profit entities' CEOs training (Vladivostok city); by the fund of the regional social programs "Our future". To explore the factors, which might provide success for social entrepreneurship, we first conducted an ethnographic study consisting of interviews with the owners and some employees of seven social firms in Vladivostok city. The purpose of the real study is to reveal how the social entrepreneurs determine the entrepreneurship success in Primorsky Krai. To achieve this goal the case-method, interview, observation and analysis of the enterprises' economic indicators in Primorsky Krai implementing their activity within social entrepreneurship were carried out.

Total amount of 53 hours of interviews with 17 persons. We selected firms based on a stratified random sampling procedure, but we need to acknowledge lack of social firms, which perform their activity as social one. The success factors were the unit of analysis. Ethnography is advantageous for studying success factors of social entrepreneurship because it enables us to understand the causes, consequences, and mechanisms by which social background affects firms' performance and provides a rich source of data for collecting data about social entrepreneurship features. Social entrepreneurship firms' study is a designed experiment, including research team formation; study objects choice and main types of their activities identifying; study tools crafting; interview questions designing for the social entrepreneurs and observation schedule; carrying out of the field survey; the received data encoding and analyzing using cross-case review; statistical and archival data analysis.

Firstly, the owners of the above-mentioned firms were contacted by phone. We introduced ourselves as the ordinary professors from Far Eastern Federal University studying social entrepreneurship in Primorsky Krai. During the preliminary stage, we carried out one pilot interview that we arranged to check out how the interview questions are related to the respondent's credibility. Secondly, we arranged the in-depth interviews with open-ended questions and field observation in the period of May 2016 to December 2018. We spent some time at those seven firms observing and interviewing executives, managers, and staff. We gathered field data on every day practices, communication with customers, interaction with kids and their parents, etc. We recorded the interviews and field observations. Later we made transcripts. The field data let us to resume the key characteristics of social entrepreneurship in the region. The studied firms providing educational and tourist facilities were created at the period of 2003 to 2012 years. During that period, there was severe social problem in Russia – lack of kindergartens and preschool educational institutions and preschool educational centers. Tourism at that period was definitely new industry.

The structured interview with the social entrepreneurs consists of the following frames: idea and project of the firm establishment; the firm's main characteristics; project implementation and the entity's quantitative indices research; business idea; the firm's effectiveness and success; crisis and success; the entrepreneur's self-concept as a social entrepreneur.

#### **4. Main findings**

Studying social entrepreneurship success in Primorsky Krai we got the preliminary results. General type of human capital plays an essential role in the firms' success performing their activities within social entrepreneurship. Human capital is the main factor of innovative economy and economy of knowledge forming and developing, as the following highest stage of advance.

Availability of certain knowledge and skills and, that is important, the previous working experience, desire to be useful for society forming the entity's social value, dedication and responsibility, charity in business allowed social entrepreneurs in Primorsky Krai to become rather successful. The social entrepreneurs having general knowledge are in demand in any region and entity; they are capable to adapt in quickly changing economic situation and to create a new successful entity. Social entrepreneurship success study according to the respondents' view revealed:

- The firm's result is its success. The concept "the entity's success" is its image, recognition, importance in the market of services, comfort conditions for employees, and need for service;
- For social entrepreneur the firm's success includes profit and financial stability, the status, service quality, dedication, social responsibility, "the harmonious mechanism" in entrepreneurial activity, and entrepreneur's honesty;
- The success criteria is a system uniting: the state support; stable inflow of clients; profitability; social importance; dedication; qualitative service; an entrepreneur's satisfaction with his activities; collective interchangeability; the best employees;

- It is necessary to consolidate the efforts; to unite into the business communities; to be professionally and analytically skilled; to be the best one for ensuring the firm's success;
- The entity's success changes. It is related to services implementation (see Tables 2 and 3 that follow for more information).

**Table 2.** The phenomenon success of the entity research (interview method)

Questions for the respondents	Respondents' answers	Conclusions
Whether you consider that, the result of the entity should be its success? What do you understand under the entity's success?	- "The result is the success". - "Secret of the entity's success is its leader. He needs to be a specialist, a professional person and be involved into the process"; etc.	Success of the entity is its image, professionalism of the head, recognition of business, the importance in the market of services, comfort conditions for employees, a service demand
What is entity's success for you?	- "It is when everything works as well harmonious mechanism"; - "It is necessary to work honestly, to deceive nobody"; etc.	For the entrepreneur Entity's success is a profit, the status, financial stability, service quality, advantage to society, "the harmonious mechanism" in business activity, social responsibility, and honesty
Whether your entity's success" depends on its characteristics?	- "It depends"; - "There is a direct link"; - "It depends on the place and equipment".	The entity's success depends directly on its characteristics.
Whether it is possible to consider criteria of the entity's success as a system? If "Yes" - then call the basic elements of this system according to your entity?	- "Social importance, advantage to society"; - "It is interchangeability"; - "The best guides and heads, platforms ..." etc.	The criterion "success" is a system: quality of professional education, stable inflow of clients, support of the state; profitability; satisfaction with work; social importance; advantage to society; interchangeability in collective; the best employees; ensuring business with infrastructure.
How do the elements listed by you influence on the entity's "success"? How to strengthen/reduce their impact on the successful result of the entity's activities?	- "It is advertising; ... new ideas; attraction of new personnel, new people. As in any other business, differs in nothing"; - "We give all of us, all attention to each case which we undertake and which we organize, all shall be at one level"	For strengthening the impact on the entity's successful result: - To consolidate the efforts; - To unite in business communities; - To be professionally and analytically competent entrepreneur; - To be the best in entrepreneurship.

Source: Own results

For the question: "Are there any distinctive features of the social entrepreneur?" the respondents have answered: "An ordinary entrepreneur is a such person who works to bring benefit directly to himself; social one does something useful for the others"; "The social entrepreneurs are people impelled, first of all, by the idea"; "The social entrepreneur - it is a life style, they are two different entrepreneurs in life"; "The social entrepreneur is the one who does charity work". For the question: "What emotions do you have when somebody calls you a social entrepreneur?" the respondents have answered: "I am a national entrepreneur and I am proud of it!"; "So, nobody calls me in this way"; "I take this for granted. This is what I am engaged in actually".

To study the educational and tourist services' quality influencing on the firm's success the structured and uncontrollable field observation method was used. Observation of the preschool age centres took place during the classes: "Mathematics", "Choreography", and "Logaedics". The teacher's professional skills, the class's conditions quality and the principles realized in the preschool age centres were observed. Observation of the tourist entity's activity took place in its office; the entrepreneur's professional skills and quality of implementable services were researched. The study showed that the respondents' high professionalism and skills provide good service quality influencing on social entrepreneurship success.

The following questions related to the social firm performance were asked: "What are the entity's financial and economic conditions? What are dynamics of financial and economic indicators for the period of the firm's activity? How does crisis affect the firm's success?" The crisis did not interfere the firm's development: "The crisis promoted inflow of new clients"; "The crisis is not a hindrance". The respondents defined their firms as

“successful ones” – the additional groups for children were opened, new services were added, many firms moved to Vladivostok city from the other parts of the region, which are more convenient to run business (see Table 3).

**Table 3.** Social entrepreneurship’s success research (observation method)

Aspects for study	Social entities	
	Implementing educational facilities	Implementing touristic facilities
Observation of the entrepreneur and employees’ professional skills	1. It is noted: the teacher-tutor’s responsible professional behaviour and initiative behaviour of the children- pupils, such children’s behaviour was promoted by the situation created in the worker group; 2. It is noted: approving reaction to educational activities from pupils; activities of children in classes – active, mutual, fruitful, vigorous activity of children promotes acquaintance to new educational information.	1. It is noted: the travel agent’s responsible professional behaviour; friendly attitude towards the client; 2. It is noted: approving reaction to professional activity from clients; communication with the client promoted acquaintance to new tourist information; communication with the client is fruitful and productive - acquisition of the tour.
Conclusion: the entrepreneur’s high professionalism and professional skills of the facilities providing		
Quality of the realized services	The principles prevail: humanity, nature conformity and individualization, interaction of a family and preschool institution, a professional cooperation, care of the client, the analysis and introspection in case of rendering of services; The highest points note 2. (8-10) criteria of quality: food, medical observation, level of safety of children, and game zones.	Quality of services rendering and successful interaction “travel agent and client” are promoted: image of the entity; convenient arrangement of office of the company; a benevolent situation at office; informational content of service; high professionalism of the travel agent; a customer feedback about service quality; annual growth of prospective clients.
Conclusion: Quality assurance of the implemented services influences on the entity’s success		

Source: Own results

We interviewed the respondents cautiously. In each case, it took us about three hours to interview and observe firms’ employees. Then we made transcripts and compared the field data to existing theory. Via the supplement of the field data, we processed the theoretical framework again. Hence, the firms’ success is influenced by the following main approaches: social, economic, personal and marketing ones; at the firms implementing educational facilities, the psychological and pedagogical approaches are added. Some factors belong to the social approach: social problem solution; social value of the business, social responsibility; charity; a circle of supporters, assurance of the realized services’ quality; desire to be socially useful. The economic approach’s aspects are participation in social projects; positioning of the entity in the market; image and favourable reputation in the market; charity; responsibility for the qualified work. Personal approach: motivation; professional education and skills; experience and length of service; employees’ talent; development in the adjacent professional areas; achievements in business; influence of the family and presence of own children (grandsons). Marketing approach: service quality, entity location, social norms, interaction rules, and social networks. The following factors belong to psychological and pedagogical approaches: responsible behaviour to the client; close contact between an entrepreneur and a service consumer; the personal oriented approach to the client; dedication and responsibility.

Therefore, future longitudinal study is required to specify the essential points mentioned above. Prospective study is important for finding out personal nature of the owners and employees in the studied firms to get out rich background of success via human capital theory.

## 5. Conclusions

Overall, we assume success as a possibility for a firm to achieve effective goals affecting its progress. Finally, relying on many international studies’ outcomes we agree with the following: the mission determining social value has prime importance; the entrepreneur’s economic need is accessory (Seelos and Mair 2005; Alter 2007). We consider that the mixed mission including both social and economic components will be important (Seelos and Mair 2005; Mair and Marti 2006). The entrepreneurial activity’s positive results may be proved by distinctions in human capital (Praag 2005). The results of the contemporary studies of commercial firms showed that the human capital with specific skills and knowledge is considerably important for commercial one. The general human capital is urgent mostly for social entrepreneurship what is explained by its various purposes and tasks (Estrin et al. 2013).

Moreover, the field data provide interpretation points of social entrepreneurship. For social entrepreneurship the general human capital, studied in the scientific works by Becker and Schulz (Becker 2003), is defined as “main characteristics”: education; professional skills; experience; development in adjacent professional areas; entrepreneurship social value, social responsibility; charity; assurance of the realized services’ quality; desire to be socially useful and carrying out charity experience and length of service. The employees’ talent let the entrepreneurs run their business successfully more than ten years in Primorsky Krai. For example, Social entrepreneurship enterprises realizing educational facilities may be studied through the following approaches: social, economic, personal, marketing, psychological and pedagogical.

Consequently, the field data analysis showed that social entrepreneurs accumulate human capital issues providing efficiency increase: the respondents have higher education and post-secondary professional training; they fully have the necessary skills, experience and achievements in their professional field; they actively self-develop in the adjacent professional areas. The respondents are highly social responsible. Among the characteristics distinguishing successful social entrepreneur from the traditional one there are desire to be beneficial to society; ensuring business social value; dedication and responsibility for everyday business activity, and charity (Table 1).

Further longitudinal studies will allow to see if social entrepreneurship advance in dynamics and what may detect social entrepreneurship additional success factors; the combination of qualitative and quantitative analysis methods will help to receive more exact overview of the entrepreneurship activities realizing that they will lead to useful practical conclusions and recommendations for entrepreneurs implementing their activity within social entrepreneurship.

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