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MOTIVATIONS FOR SOCIAL ENTREPRENEURSHIP IN FINLAND

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<p>Abstract</p> <p>The purpose of this study is to examine the motivations of certain entrepreneurs who decide to become social entrepreneurs. There was a gap in the knowledge of how and why social entrepreneurship attracts entrepreneurs and why they choose to operate as social enterprises instead of operating as more traditional companies. Social entrepreneurship is relatively new phenomenon in the field of entrepreneurial research, even though many of its components have existed under a different name for decades. Social entrepreneurs have a mission to solve social problems and their top priority is not to generate as much profit as possible to the shareholders, unlike traditional companies.</p> <p>In Finland, the research on the phenomenon of social entrepreneurship is still in its infancy. Therefore, it was important to add new and valuable information to the existing literature on the topic.</p> <p>Empirical data of the study were collected by conducting five semi-structured individual interviews via VoIP service Skype. The interviewees were social entrepreneurs who all provided health care and social welfare related services.</p> <p>Based on the empirical findings, the main reason why entrepreneurs choose to become social entrepreneurs is their value system. The interviewees expressed their willingness to create social value, help people who are less fortunate, solve social problems in the society, and operate their businesses as morally and ethically as possible. The interviewees want to be open and transparent in their business operations and treat their employees with respect and care for their well-being.</p> <p>Personality traits can contribute to the entrepreneurial orientation as well. Scores in the values of self-transcend, self-enhancement and conservation are the most important determinants of the entrepreneurial orientation. High scores in the values of self-transcend and conservation heavily suggest social orientation whereas high score in the value self-enhancement would indicate traditional orientation. The empirical data suggests that the values do predict entrepreneurial orientation. Indications for high scores in self-transcend and conservation were apparent, while indications for high score in self-enhancement were not present.</p>			
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Additional information			

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1 INTRODUCTION

1.1 Introduction to the topic

This research paper started out from curiosity towards a phenomenon called social entrepreneurship. The paper attempts to discover reasons and motivation for entrepreneurs to become social entrepreneurs. Entrepreneurship is a well-studied subject and the numerous studies in the field depict it in various point of views and give an extensive image of the subject. At this point in time, entrepreneurship research cannot be considered a new field of research but it has remained relevant and important through the years. Although it is difficult to come up with a totally new perspective to the matter, there are some emerging topics that should be explored more broadly. This study approaches entrepreneurship from a perspective of social entrepreneurship and entrepreneurial motivations, and its goal is to find out why certain entrepreneurs choose to become social entrepreneurs instead of traditional ones.

The approach of this study takes on a new perspective to entrepreneurship and adds to extant literature on social entrepreneurship. The approach is a combination of examining existing concepts of social entrepreneurship and exploring the unknown aspects of it. The study focuses on Finnish social entrepreneurs while looking at the phenomenon from a global standpoint.

Some researchers suggest that studying entrepreneurship is important because it creates economic growth by being the driver of innovation and technical change. It is also an important vocation that develops human and intellectual capital, and creates products and services. Entrepreneurship is a force that is able to create balance between supply and demand. In addition to the arguments mentioned above, there are many other arguments that support research on entrepreneurship. It is a phenomenon that has a large impact on the economic environment globally, which makes it a phenomenon worth studying for. (Shane, Locke & Collins 2012.)

Entrepreneurship is one of the big themes of this research paper. Earlier, the concept of entrepreneurship did not have a good definition, but the situation has improved

since. In this paper, the research field of entrepreneurship is understood the same way as researchers Shane and Venkataraman (2000) explained it as “the scholarly examination of how, by whom, and with what effects opportunities to create future goods and services are discovered, evaluated, and exploited.”

Motivations for social entrepreneurship in Finland is the topic of this master’s thesis. Social entrepreneurship is a current research topic in the field of entrepreneurship research and it has remained as a relatively unexplored concept even to this day. Despite the relatively unsung reputation, its roots go a long way into the history of entrepreneurship research. In some countries, research on social entrepreneurship is well established but in Finland it is still in its early stages. Research on motivation has a long history as well, but it mostly concerns individuals’ motivations. Societal and institutional motivation research is a less studied subject. In this research paper, motivation in general and entrepreneurial motivation are examined from both individual and societal perspectives.

Motivation and social entrepreneurship have many definitions and they are introduced in this paper in chapters two and three. This paper adopts the definitions from experienced scholars in these two lines of research.

1.2 Purpose of the study and research problem

There is a lack of studies on entrepreneurial motivations for social entrepreneurship. The purpose of the study is to find out why an entrepreneur becomes a social instead of a traditional entrepreneur. Existing research papers have not provided a clear answer to this question. Therefore, this study is current and relevant. The aim is to fulfill that gap in knowledge by interviewing Finnish social entrepreneurs. The interviews can provide valuable information on the motivations of social entrepreneurs and thus give good insights on how to motivate people to start social enterprises.

Previous studies in the field have shed light on what social entrepreneurship is and whether it should be considered a totally new field of research or not. Many researchers have defined social entrepreneurship in their own way, but a common definition is missing. This study aims to present different ways to look at social entrepreneurship,

examine the economic climate for social entrepreneurship and find out the main motivations to become a social entrepreneur. The paper is aimed at anyone who is interested in social ventures, social entrepreneurship and entrepreneurial motivations.

The implications of this research paper are broad. Literature on social entrepreneurship has overlooked, to some extent, the importance of entrepreneurial motivations in the process of choosing entrepreneurial orientation and in daily operations. This paper adds valuable knowledge to the social entrepreneurial research through a fresh point of view to the subject. Additionally, the paper provides a new take on societal and institutional motivation research, which has been in the shadow of motivation research of individuals. New information on these subjects compliments the existing literature on social entrepreneurship and entrepreneurial motivations. This knowledge can be helpful in understanding how people choose different entrepreneurial orientations and especially social orientation. In addition to that, another implication lies in the knowledge of how to motivate social entrepreneurs and advance their operations.

1.3 Research methods and questions

The study is based on literature on motivation and social entrepreneurship and it is supported by empirical data. The empirical data were collected through semi-structured interviews. Interviewees are Finnish social entrepreneurs who agreed to take part in the study and the interviews were conducted via Skype. They were selected on the basis of having the Finnish Social Enterprise Mark.

Social entrepreneurship is still relatively new research topic, which means that the literature concerning the topic is scarce (Laakso 2012). The gap in knowledge called for a study that is qualitative in nature. This research method enabled the capturing of new information and taking of new perspective on the topic.

In order to fulfill the purpose and reach the goals of the study, the main research question is defined as follows:

What motivates entrepreneurs to become social entrepreneurs?

The main research question is supported by two sub-questions:

SQ1: Why become a social entrepreneur instead of traditional entrepreneur?

SQ2: What motivates social entrepreneurs in everyday business?

1.4 Structure of the paper

Background information and basics of this study are presented to the reader in the first chapter. That information includes introduction to the topic, purpose of the study, research problem, and research methods and questions. In the following two chapters, theoretical framework of the study is depicted. The framework consists of general overview of the phenomenon of social entrepreneurship, the different definitions regarding the phenomenon and information on how it affects everyday business operations. Chapter two examines what makes a social entrepreneur in detail and how social entrepreneurs compare to other types of entrepreneurs. Chapter three focuses on modern studies on motivation in general, and entrepreneurial motivations.

Once the theoretical framework is covered, the next chapter is about research methodologies and empirical data collection. In that part of the paper, the general information on how the study was conducted is presented. Interview method is portrayed as well. Empirical examination is displayed in the next chapter after research methodology. In that chapter, empirical data are examined and analyzed by using the methods described in chapter four.

The last chapter ties the research paper together. It contains key results, contributions of the study, assessment of the validity of the paper, and suggestions for future research topics.

2 SOCIAL ENTREPRENEURSHIP

In this section of the paper, social entrepreneurship (SE) is thoroughly examined based on recent studies on the topic. In order to form a clear overview of the topic, the phenomenon must be defined. There are multiple definitions for social entrepreneurship and they are introduced in this chapter. There is clarity within the definitions when you look at them all together, despite the large spectrum at first glance. The phenomenon of social entrepreneurship is from now on referred to as SE in the paper.

2.1 Phenomenon of social entrepreneurship

SE is diverse and rich phenomenon, and as a research field, SE is still relatively new. The phenomenon has been around for a couple of decades now, but the scholarly output in mainstream management and entrepreneurship journals has been fairly slim (Short, Moss & Lumpkin 2009). Scholars do not agree upon a sole definition for SE because there are a number of ways to describe this broad phenomenon. Some say that SE equals non-profit organizations (Lasprogata and Cotton 2003), while others say that it is for-profit companies that are operated by non-profit organizations (Wallace 1999). Some researchers even believe that the phenomenon of SE describes firms created at a financial loss (Baron 2007), and another definition for it is that SE is philanthropy (Ostrander 2007). It seems that in early studies of the topic, SE was not seen as economically feasible option for a company. That conception has changed over the years and SE is considered as a genuine solution to many problems faced by companies and societies.

Perhaps one of the more prominent definitions is that SE is a mission to create social value by providing solutions to social problems (Dacin T, Dacin P & Tracey 2011). That definition by researchers Tina and Peter Dacin, and Paul Tracey is adopted to this paper. Their notion on the topic gives room to deal with the phenomenon in a comprehensive way, as the definition does not rule out entrepreneurs who do not fit into other scholars' narrower definitions. More on the problem of defining SE is displayed in the next sub-chapter.

Even though the scholarly output has been slim, there have been many conferences concerning the topic. That has helped the people who are interested in the SE and social ventures to share ideas and have meaningful discussions about relevant concepts and research papers. At the moment, there are plenty of books, newsletters, and articles about SE, but there is still a lot to be learned and studied about. The future of SE is unclear and researchers are trying to find a more homologous path for the upcoming studies. (Mair, Robinson & Hockerts 2006: 1–2, 11.)

According to a study by researchers Short, Moss and Lumpkin (2009), the number of conceptual articles of SE outnumber the number of empirical studies. The existing cluster of empirical studies tend to lack formal hypotheses and rigorous methods. Therefore, this research paper is important for SE research because it is empirical study. Short et al. (2009) concluded that research on SE remains in an inchoate state. In order to take things forward, future research should include multivariate methods to complement the popular case study techniques that can be found in majority of previous studies. The researchers recommend that well-established theories of strategic entrepreneurship should be used in future SE research. Those theories include theories such as contingency theory, creation theory and discovery theory. (Short, Moss & Lumpkin 2009.)

Even though SE research is still in its infancy, that is not the factor that makes it interesting. What does make it interesting to me as a writer of this thesis, is that social ventures are not just about making a profit and looking after their self-interests. Social ventures are about creating value for the community and fixing social problems (Seelos & Mair 2005). This phenomenon surfaces some intriguing questions i.e. why would an entrepreneur become a social entrepreneur instead of becoming a traditional entrepreneur, and how are social ventures different from conventional organizations? These are some of the questions addressed in this paper.

The general discussion around the topic is divided into multiple disciplines. This juxtaposition is exposed when scholars try to explain the phenomenon and they all have different answers. Some scholars argue that SE is limited only to non-profit organizations (Laprogata & Cotton 2003), while others consider SE as for-profit companies operated by non-profit organizations (Wallace 1999) or companies that are

created by organizations at a loss (Baron 2007). SE is also identified with philanthropy (Ostrander 2007) but some scholars assimilate the concept with wider definitions that relate SE to individuals or organizations involved in entrepreneurial activities with a social goal (Certo & Miller 2008, Van de Ven, Sapienza & Vilanueva 2007). There is more to be discussed on the variety of definitions in the subchapter 3.2 but it is clear that there is no definite answer to what is SE. One of the goals of this paper is to examine how social entrepreneurs in Finland would define their operations and what motivates them to create social value.

There has been a lot of discussion about the connection between social ventures and profit making (Laakso 2012). There are multiple points of view to the matter. One of them is that social value is created in the hopes of creating financial value as well. Companies used to create social value in expense of efficient business. This association with inefficiency has stuck with social ventures and that is why SE is often associated with altruism. Some researchers believe that SE equates altruism, but usually this conception is considered false. (Porter & Kramer 2011.)

Whether SE is altruistic or not, it is regarded as a fix to the problems of capitalism. The phenomenon relates heavily to capitalism, which has had its share of criticism in recent years. Business has been deemed as the cause of economic and environmental problems. According to a popular perception, companies prosper at the expense of others. This perception holds its ground even though companies have increasingly started to embrace corporate responsibility (CSR). CSR is another concept that is closely assimilated with SE. (Porter & Kramer 2011.)

CSR is a well-known concept in business world. Almost every company has a CSR policy nowadays. CSR means that a company integrates social and environmental concerns voluntarily in their operations and interaction with their stakeholders (Crowther & Aras 2008: 11–12). SE and CSR are linked to each other, however not many research papers exist on their relationship. It seems that CSR is a commonly used term when a traditional company operates responsibly but SE is the term to use when the organization has a primary goal of creating social value.

The mistrust towards business leads to policies set by political leaders that dilute competitiveness and impair economic growth. A large portion of the problem lies with companies themselves, as they have not managed to reform their approach to value creation. A new perspective to value creation has emerged in the past few decades, but only a small group of companies have managed to seize the opportunity. Narrow view to value creation and aiming for the short-term financial performance leads to neglecting customers' needs and ignoring the broader influences that determine companies' long-term prosperity. It seems that business is caught in a negative circle and companies struggle to change their behavior for the good of the society. This circle probably could be broken with a more extensive deployment of SE. (Porter & Kramer 2011.)

Many researchers see social ventures as a solution to the failures of markets and governments (Trivedi et al. 2011, Yujuico 2008). Social entrepreneur's role is important in the context of both developing and developed countries (Yujuico 2008). They are able to disclose government's and market's inefficiencies. That is important because markets are blamed for omission of basic human needs and therefore for the creation of social inequalities (Laakso 2012).

All in all, SE is an intriguing phenomenon to many researchers. It lacks a general direction of research, which is a concern for many scholars in the field. This paper sees SE in the way Tina and Peter Dacin, and Paul Tracey (2011) see it, which is that SE means having a mission to create social value by providing solutions to social problems. In the upcoming subchapters, various definitions for SE are displayed and explained.

2.2 Defining social entrepreneurship

A sole definition is unable to capture the concept of social entrepreneurship in its entirety according to Mair et al (2006). SE is recognized as a comprehensive set of activities, ranging from individuals who devote their time, money and energy into making a difference, to new types of nonprofit organizations that are revising their operations based on the lessons learned from the business world. Philanthropist supporting venture capital-like investment portfolios, and business ventures that are

trying to add for-profit motivations to the nonprofit sector, are also regarded as being a part of the SE phenomenon. Social entrepreneurship is a name that has increased in popularity in recent years, as being the new phenomenon that reinvents the way we think about social value creation. SE is a new concept, however some of its practices have been around for quite some time and the existing practices were just moved under a recognizable label. (Mair et al. 2006: 1.)

The large number of definitions of SE that are used to depict the phenomenon, expresses the amount of excitement and interest around the topic. While the number of the definitions is growing all the time, researchers Mair, Robinson and Hockerts argue that there is no need to narrow the definitions down or choose a universal definition. Doing that could cause more problems than solve them. Mair et al. (2006: 1–280) gathered some of the most recognized definitions of SE and addressed them in their book. This paper follows partly their summary of various depictions and definitions of SE, and they are presented in the following paragraphs (see Table 1). According to Mair et al., the theoretical perspectives and themes on SE can be divided into four different disciplines. (Mair et al. 2006: 7.)

The first discipline includes scholars who have picked a direction in their studies, in which they seek to set future agendas for the research on SE. They try to offer new theoretical directions and suggestions to help other scholars to navigate their SE research. (Mair et al. 2006: 7.)

Researcher James Austin (2006) thinks that research on SE should be interdisciplinary, which would be a productive way to move forward. He also suggests that the research should focus on collaborations in SE, corporate sector SE, and comparative analysis along five dimensions of time, place, form, actor and practice. Researcher Albert Cho's (Cho 2006 via Mair et al. 2006) take on the future SE research is to take values and politics into consideration when researching SE. He wants to maintain a broad definition on the topic, but adds that it is important to deconstruct the term social because it is crucial to the understanding social entrepreneurship. According to Cho, we should not rely on SE to fill in the gaps that markets left open or that social welfare system avoids. Instead, researchers should treat SE as broad concept that can be included in integrated systemic solutions. Scholars Francesco Perrini and Clodia Vurro

(Perrini & Vurro via Mair et al. 2006) argue that, even though a number of studies tend to focus on individual elements of a SE process, the more fruitful area of research could be to examine the relationship between different elements in the process. These are the directions that the before mentioned researchers would like to take SE research in the future.

The second discipline in the SE research according to Mair et al. (2006), concentrates on the exploitation of entrepreneurial opportunities and what initiates the exploitation. One of the researchers who is focusing on that particular research of SE is Jeffrey Robinson (Robinson 2006 via Mair et al. 2006). He studies how social, institutional and economic barriers affect starting a company, entering the market, and what kind of impact they have on the evaluation of entrepreneurial opportunities. Robinson mainly focuses on three main factors: a company entering a certain market, social networks surrounding the entrepreneur, and institutions that are there to help or hinder the progress of the initiative. Other researchers in this chapter are Johanna Mair and Ernesto Noboa (2003). According to their research on the topic, intentions to form a social venture develop from a perception of desirability. That perception is affected by emotional and cognitive attitudes such as moral judgement and empathy. In addition to that, entrepreneurial intentions are affected by perceptions of feasibility, which are backed by enabling factors like self-efficacy and social support.

The third discipline's focus is on strategies and outcomes of SE. Researchers such as Kai Hockerts, Geoffrey Desa and Suresh Kotha, and Helen Haugh, try to figure out how do social entrepreneurs turn opportunities into striving ventures, and what good do they do and to whom (Mair et al. 2006: 8–9.). Kai Hockerts's (2004) approach to SE research is to focus on social purpose business ventures' and by doing that, he has identified three main sources of social entrepreneurial opportunity. According to Hockerts (2004), these sources are activism, philanthropy and self-help. All of the sources offer an economic and a social value proposition to support the entrepreneurial intention to turn an idea into reality. Based on Hockerts's (2004) framework, it is possible that different opportunities provide different outcomes in the form of operational models and strategies. This knowledge could help the future research in the field.

Researchers Desa and Kotha (Desa & Kotha 2006 via Mair et al. 2006) suggest that in the evolution of an organization, the sources of opportunity move from the networks, experience and resources available to the founder, toward an interaction with socio-political dynamic. That dynamic includes activists, philanthropists and volunteer communities, and the relationships with the stakeholders usually leads to a parallel evolution in the organization's mission. Researcher Helen Haugh (Haugh 2006 via Mair et al. 2006) has also studied the impact of social enterprises. According to her findings, social enterprises have great economic, social and environmental benefits in the local community. Some of the more tangible benefits that social enterprises create, are increasing the skill level of individuals in the community and empowering its people. Haugh suggests that social enterprises can be useful to promote social and economic regeneration in resource poor areas.

Fourth theoretical perspective on SE introduces environment and sustainability into the discussion around the topic. Anne Clifford and Sarah Dixon (Clifford & Dixon 2006 via Mair et al. 2006) are known for their research on an environmental-social enterprise. They were interested in the strategies and processes that help the enterprise to balance a triple bottom line. Triple bottom line is an idea that suggests that a company's ultimate success can be measured by its social, environmental and financial performance (Norman & MacDonald 2003). Clifford and Dixon (Clifford & Dixon 2006 via Mair et al. 2006) argue that in order for an ecopreneurship to be successful, the founder needs to have mission-driven values and ideals, and create networks that are beneficial to all stakeholders. Ecopreneurship is entrepreneurship through an environmental lens (Schaltegger 2002).

According to Christian Seelos, Kate Ganly and Johanna Mair (Seelos, Ganly & Mair 2006 via Mair et al. 2006), social enterprises can be a valuable part in achieving the Millennium Development Goals that were proposed by the United Nations in the year 2000. In their study, one of the conclusions was that most of the social enterprises are operating in countries that have the lowest levels of human development. These social initiatives are able to help the countries that need it the most.

Defining SE is not a simple task, because there are great number of varied definitions created by scholars in the field. As Mair et al. (2006: 7–10) stated in their book about

SE, the phenomenon has and should have a lot of different points of view. Researchers should embrace the range and diversity rather than trying to simplify it. Some scholars argue however that having such a disparity causes problems to the legitimacy of the field of research (Short et al. 2009). According to Short et al. (2009) it can hinder empirical research seeking to examine the precedents and implications of SE. Having plenty of definitions for SE, hampers the abilities of researchers to consistently measure social ventures' performance and that comparisons within the realm of SE are extremely challenging. Performance measurement difficulties restrain researchers from understanding what is needed to make SE thrive. One other thing that inhibits researchers in the field is that not having established the legitimacy of the research field can affect researchers merit-based pay, tenure and promotion (Pfeffer 1993). That influence is caused by the lack of appraisal of the research value, which in turn can be accounted for lack of legitimacy of the research field.

The variety of research direction due to the disparity in the definitions, means that a researcher can pick a point of view to the topic that reflects their thoughts on the matter. All the definitions are displayed in Table 1. Mair et al. (2006) defines SE as a comprehensive set of activities that include individuals devoting time, money and energy into making a difference; nonprofit organizations that are trying to learn business lessons from the business world and integrating them into their operations; philanthropist that support venture capital-like investment portfolios; and business ventures operating in the nonprofit sector that are adding for-profit motivations into their businesses. All that is considered as being a part of SE, which means that the phenomenon is a scarce phenomenon. The future of SE remains uncertain but the drive to unify the field of research exists.

Table 1. Definitions of social entrepreneurship concepts

Author/s	Definition
Austin	'Social entrepreneurship is innovative, social value creating activity that can occur within or across the nonprofit, business, and public sectors.'
Cho	'...a quite general working definition of social entrepreneurship: a set of institutional practices combining the pursuit of financial objectives with the pursuit and promotion of substantive and terminal values.'

Perrini/Vurro	‘...social entrepreneurs are change promoters in society; they pioneer innovation within the social sector through the entrepreneurial quality of a breaking idea, their capacity building aptitude, and their ability to concretely demonstrate the quality of the idea and to measure social impacts.’ ‘We define SE as a dynamic process created and managed by an individual or team (the innovative social entrepreneur), which strives to exploit social innovation with an entrepreneurial mindset and a strong need for achievement, in order to create new social value in the market and community at large.’
Robinson	‘...I define social entrepreneurship as a process that includes the identification of a specific social problem and a solution... to address it; the evaluation of the social impact, the business model and the sustainability of the venture; and the creation of a social mission-oriented for-profit or a business-oriented nonprofit entity that pursues the double (or triple) bottom line.’
Mair/Noboa	‘...we define social entrepreneurship as the innovative use of resource combinations to pursue opportunities aiming at the creation of organizations and/or practices that yield and sustain social benefits.’
Hockerts	‘Social purpose business ventures are hybrid enterprises straddling the boundary between the for-profit business world and social mission-driven public and nonprofit organizations. Thus, they do not fit completely in either sphere.’
Desa/Kotha	‘TSVs [technology social ventures] ... develop and technology-driven solutions to address social needs in a financially sustainable manner... TSVs address the twin cornerstones of social entrepreneurship – ownership (financial return) and mission (social impact) using advanced technology.’
Haugh	‘Social enterprise is a collective term for a range of organizations that trade for a social purpose. They adopt one of a variety of different legal formats but have in common the principles of pursuing business-led solutions to achieve social aims, and the reinvestment of surplus for community benefit. Their objectives focus on socially desired, nonfinancial goals and their outcomes are the nonfinancial measures of the implied demand for and supply of services.’
Clifford/Dixon	‘... the term “ecopreneur”...[defines] an ecopreneurial organization as one that is a “system-transforming, socially committed...break-through venture”, a definition that seems to encompass both ecological and social enterprise. However [this term] draws the focus too narrowly upon the environmental aspects, and we therefore apply the term “social ecopreneur”... to encompass the triple drivers of these organizations: environmental, social and economic, the latter being inherent in the concept of entrepreneurship.’
Seelos/Ganly/Mair	The Schwab Foundation [source of the study population] defines a social entrepreneur as someone who [among other things]: ‘identifies and applies practical solutions to social problems...; innovates by finding a new product, service or approach...; focuses... on social value creation...; resists being trapped by the constraints of ideology or discipline; [and] has a vision, but also a well-thought out roadmap as to how to attain the goal.’

Source: Mair et al. 2006.

2.3 Realization of social entrepreneurship in business

SE is a mere ideology if it does not have an impact on the actual business. This paper considers SE as having a mission to create social value by providing solutions to social problems (Dacin T, Dacin P & Tracey 2011). There are a number of problems in the society such as increasing income differences, inequalities among people, and environmental problems like global warming and loss in biodiversity (Houtbeckers 2014). SE is a phenomenon that relates to the solutions that afflicts modern societies. The phenomenon implies to entrepreneurial activities that strive to create solutions to the problems by means of business (Houtbeckers 2014).

Perhaps the most recognized social ventures in an international context are Grameen Bank founded by Muhammad Yunus, and Fairtrade International. The latter focuses on securing a better income and working conditions for the producers of the products (Houtbeckers 2014). Fairtrade aims at alleviating poverty in developing countries by providing better access to important markets and ensuring a fair prize for the products (Loureiro & Lotade 2005). They manage to do that by adding an additional cost on the product that goes directly to the producer. The phenomenon of Fairtrade has enjoyed a steady increase in popularity in recent years, especially in the UK (Adams & Raisborough 2008). Fairtrade sales in the UK were £493m in 2007, which was a significant increase on the sales numbers from 1997 that were just £16.7m. In 2005, the global sales of Fairtrade certified products surpassed €1 billion, which was 37 per cent higher than on the previous year. In 2016, the global sales were €7.88 billion (Fairtrade International 2017). The sales numbers imply that people are willing to support social value creation with their consuming habits.

Grameen Bank revolutionized the banking business by giving out micro loans to poor people to advance their quality of living (Houtbeckers 2014). Muhammad Yunus believes that poor people have skills that they are unable to utilize, because existing institution and policies fail to support them despite their increasing need for support. Grameen Bank was founded to offer support and supply credit to those who were not eligible for being customers at established banks. Those people had the chance to apply for a loan for the first time in their lives. (Seelos & Mair 2005.)

Since its inception in 1976, Grameen Bank has become a well-established social enterprise in Bangladesh. It currently operates 1191 branches and it serves over 3 million poor people. Even though Grameen Bank grants unsecured loans to the poor in rural Bangladesh, it tries to define the system so that the loans can be paid back on time. Not everyone is welcome as a customer to the bank, as only the poorest villagers are eligible. Most of the customers are women, because they are more likely to be economically and socially impoverished. (Seelos & Mair 2005.)

Grameen Bank and Fairtrade International have established businesses that borrow a lot from previous business models, but also add something that increase the wellbeing of various stakeholders (Houtbeckers 2014). The before mentioned social ventures are prime examples of creating good businesses by having a mission to create social value, though there are other ways as well. The most important thing is to create social value, no matter what the main instrument for the creation is.

2.4 Social entrepreneurship in Finland

As it was explained in the previous chapters, SE is a relatively new phenomenon even though many of its practices have existed quite some time and they were previously known by different names. Research on SE is still in its infancy in Finland, but there are plenty of studies that have been conducted in other countries that could be applicable to Finland as well.

Houtbeckers is one of the researchers who has studied the phenomenon of social entrepreneurship in Finland. According to her study in 2014, the roots of SE in Finland goes as far back as the late nineteenth century. The interest in SE is widely considered as a response to the aging population and to the increasing need for social services. The welfare state is changing and with the change, comes a need for new types of businesses. (Houtbeckers 2014)

SE is becoming a hypernym for a large number of concepts that closely resembles one another. The SE phenomenon started with companies that employed people with disabilities and people who were in an unfavorable position. In the late 1800's, associations for blind people helped their interest group's businesses with stock

purchases and marketing. In 1930's, the same associations started to organize industrial companies that hired people with disabilities. With the help from government subsidies, many workshops for disabled employees started to appear in the following decades and the golden age for the workshops was between 1970 and 1990. These workshops started to fade in the 1990's because of the recession. (Houtbeckers 2014)

Another long tradition in Finland in the field of SE is cooperatives owned by the workforce. The cooperatives were especially important in the 1990's when many unemployed began to organize their own cooperatives in certain fields of businesses. That was a way for people to maintain their benefits that labor market provided. (Houtbeckers 2014)

In order to clarify the actors in the field of all the social players, Act on Social Enterprises was issued in 2003 (Finlex 2003). According to the Act, a company is entitled to the term social enterprise if at least one third of its labor force is either disabled or long-term unemployed. Social enterprises never became a prominent institutional force in Finland, although it still remains an established concept within the hypernym that is SE.

Another significant institutional event besides the Act on Social Enterprises, is the establishment of the Finnish Social Enterprise Mark (Association of Finnish Work 2017). The mark was launched in 2011 to help social enterprises to distinguish themselves from other types of businesses and demonstrate that the enterprise uses the business model of a social enterprise. The Association of Finnish Work awards the mark to all businesses that apply for the mark and meet their criteria. Primary criteria for the Finnish Social Enterprise Mark are contributing to social good, using profits to develop company's own operations or donating the profits in a way that serves the company's mission, and operating openly and transparently. Secondary criteria include criterion like employees' participation in decision making, measuring of social effectiveness, and employing people with unfavorable position in the labor market. (Houtbeckers 2014.)

Arvo Ry is another institutional establishment in the field of SE in recent years. It is essentially an interest group that promotes socially oriented businesses in Finland. The organization was launched in 2014 and it remains to be seen what impact they are able to make for the phenomenon of SE. (Arvo-Liitto Ry 2017.)

In addition to the before mentioned actors and institutional establishments in the field of SE in Finland, there is a growing group of new actors that are linked to SE but are not officially considered as being social enterprises. Many of these organizations have adopted features from social enterprises and traditional business, and therefore they are hard to define. The number of social enterprises in Finland is hard to estimate precisely because of the varied nature of business nowadays. For-profit, non-profit, social enterprises and other business have been mixed and it is not easy to categorize business into certain categories. Researchers Lilja and Mankki (2010) estimated that there are approximately 5 000 social enterprises in Finland but that estimate did not include privately owned organizations. A good and current estimation does not exist due to the issue of how to identify social enterprises. In August of 2017, the Association of Finnish Work has rewarded the Finnish Social Enterprise Mark to 152 organizations.

It should be noted that using the Finnish Social Enterprise Mark costs a certain amount of a company's revenue, which could limit the users to some extent. Though, the cost of the mark is relatively small and it is comparable to a membership fee in some unions. For a company that has a million euros in revenue, the mark costs 678 euros yearly (Association of Finnish Work 2017).

There is a lot to learn about social entrepreneurship especially in Finland, where it is a young and emerging phenomenon. This paper attempts to add valuable information about the phenomenon of SE to the already existing knowledge about the topic. In the next chapter, the concept of social entrepreneur is examined.

2.5 Social entrepreneur

Entrepreneurship exists in many forms. One of the most traditional conception is that entrepreneurs are business owners who manage businesses. More in-depth look at the

phenomenon is that entrepreneurs are people who detect opportunities, assume risks and generate innovation. This approach reveals that entrepreneurship is a broad phenomenon with a lot of different variables. Morrison (2006) divided entrepreneurial types into 9 categories: co-entrepreneur, ethnic, family, intra-entrepreneur, lifestyle, micro, business portfolio, serial, and social (see Figure 1). With that many types of entrepreneurs, it is obvious that the way they think and operate is different from type to type. Their actions depend on the economic, social and cultural context of their situations and the processes they want to develop. Every entrepreneur is an individual who pursues different results and has different knowledge and motivation. This study focuses on the motivations of the social type of entrepreneurs. (Sastre-Castillo, Peris-Ortiz and Danvila-Del Valle 2015).

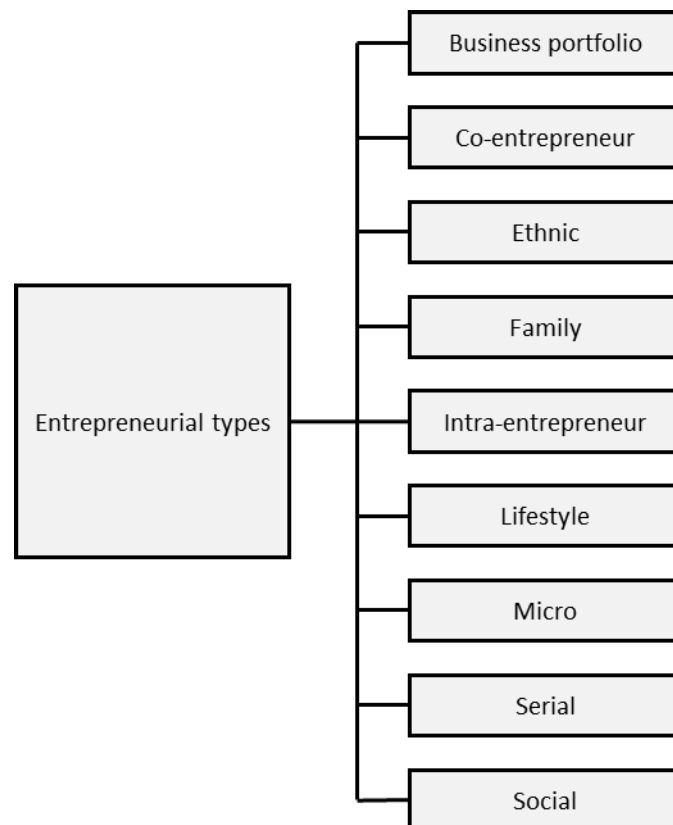


Figure 1. Entrepreneurial types (Morrison 2006).

Social entrepreneur is a term that was introduced in 1984, and it has since become popular in academic and business environments. One of the first definitions of social entrepreneurs was that they are a group of people who solve social problems. That is a very limited approach to the topic because it does not take into account the

entrepreneurs' motivations. Understanding of the topic has increased since the phenomenon of social entrepreneurship has gained popularity and with it, the definitions have evolved too. According to Sastre-Castillo et al. (2015), deep examination of the topic reveals that there are two streams reflecting different perspectives of social entrepreneurship. First stream reflects a more idealistic concept of SE compared to the other stream, that focuses on a more pragmatic perspective. (Sastre-Castillo et al. 2015.)

The concept of social value creation is emphasized in the idealistic stream. Therefore, social entrepreneurs are attributed with the priority objective of creating social value of any kind, by using innovation, risk, and the creation and diffusion of social values (Peredo & McClean 2006). That is the way they try to achieve their goal of bringing social well-being to the community. Additionally, social entrepreneurs are considered to have an aim to create new companies and innovate within existing ones to create social value through innovation, assumption of risk, and opportunity seeking (Mort, Weerawardena & Carnegie 2003). Deep transformations and changes in society in a large scale are also things that social entrepreneurs strive for, according to the first stream that reflects the idealistic concept of SE. (Sastre-Castillo et al. 2015)

In the pragmatic stream, social entrepreneurs are thought to seek growth in revenue by obtaining social results (Boschee 2001). That is not the general opinion among scholars in the field, as many studies have revealed that social entrepreneurs have characteristics that make them more concerned about social well-being than making a profit (Sastre-Castillo et al. 2015). This study follows more of the ideas presented in the idealistic stream rather than in the pragmatic stream. That is because social entrepreneurs are usually assimilated with truly caring about social issues and welfare, instead of pursuing social results in the hopes of generating more profit.

2.5.1 Comparison between social and traditional entrepreneurs

The type of an entrepreneur can be determined by using three variables that are entrepreneurial attitude, mobilization of resources, and measurement of performance (Austin 2006). When social entrepreneurs are compared to traditional entrepreneurs, they can be differentiated from each other with these variables (see Table 2). The first

variable, entrepreneurial attitude, affects entrepreneurs' opportunity seeking. Expansive market situation is a great source of opportunities for traditional entrepreneurs, whereas social needs in various places are good opportunities for social entrepreneurs. Mobilization of resources is something that traditional entrepreneurs have an advantage over social entrepreneurs. The latter group of entrepreneurs have difficulties often to compete with commercial companies on remuneration and therefore they have a hard time to recruit and retain important human resources and obtain crucial funding (Santos 2012). Measurement of performance is another issue that social entrepreneurs can struggle with, because they may find it difficult to measure the social impact of their work, as they are unable to use the common profitability indicators. That problem does not exist with traditional entrepreneurs. (Sastre-Castillo et al. 2015)

Significant differences exist between these two types of entrepreneurs as mentioned in the previous paragraph but in recent years, some authors have argued that they should not be presented as opposite concepts. That is because commercial companies increasingly interconnect commercial and social aims, and social entrepreneurs do care about generating revenue in addition to creating social value. It seems that all entrepreneurial activities include social and economic balance that allows the creation of economic and social value. (Sastre-Castillo et al. 2015)

Social entrepreneurs act in various activities, but they always have a common intention to solve social problems. Social entrepreneurs are different from other types of entrepreneurs in a way that they have a pronounced desire to improve social well-being of others and develop long-term projects to create social value. The creation of sustainable social value is a key feature that separates social entrepreneurs from well-meaning individuals who just engage in charitable works. Many of the common features of social entrepreneurs are known, but there is still much to learn about these entrepreneurs because of the small amount of studies on the topic. (Sastre-Castillo et al. 2015)

Table 2. Comparison, social entrepreneurship vs traditional

Differentiating variables	Social entrepreneurship	Traditional entrepreneurship
Entrepreneurial attitude	Opportunities lie in places where there are social needs.	Expansive market situation is a great source for opportunities.
Mobilization of resources	Difficult to compete with traditional companies on remuneration. As a result, important human resources are hard to keep.	Advantage over social entrepreneurs.
Measurement of performance	Difficult to measure the social impact of their work and unable to use the common profitability indicators.	Easy to measure the performance.

Source: Sastre-Castillo et al. 2015.

2.5.2 Becoming a social entrepreneur

As it was described in the chapter 2.4, there are nine types of entrepreneurs according to Morrison (2006). There are certain characteristics and variables that can be used to determine the type of an entrepreneur (see Figure 2).

It has been studied, that social entrepreneurs have traits and motivations that are shared with traditional entrepreneurs to a certain degree. They also have many differentiating traits and motivations as well. Entrepreneurial behavior is a well-established field of research, but there is a gap in knowledge of what traits separate social entrepreneurs from traditional ones. What makes it difficult to fulfill that gap in knowledge is that, certain characteristics that could uplift entrepreneurial attitude in one person may not help to explain his or her social orientation. In addition to that, certain characteristics that are not important in general entrepreneurial attitude could be meaningful in the social orientation. (Sastre-Castillo et al. 2015)

Commonly, the characteristic differences between social entrepreneurs and other types of entrepreneurs are minor. Aspects like leadership, styles of work, personal qualities, or capacity to create and share innovative ideas are very similar across all types of entrepreneurs. However, some of the characteristics of social entrepreneurs set them apart from the rest of the entrepreneurial types. They focus their vision on activities that increase the value of the least favored sectors of the community.

Sociodemographic or psychological profile variables affect entrepreneurial activity and whether the orientation is social or traditional. According to Harding (2006), a prototype for a social entrepreneur in Great Britain is a young and highly educated female. (Sastre-Castillo et al. 2015)

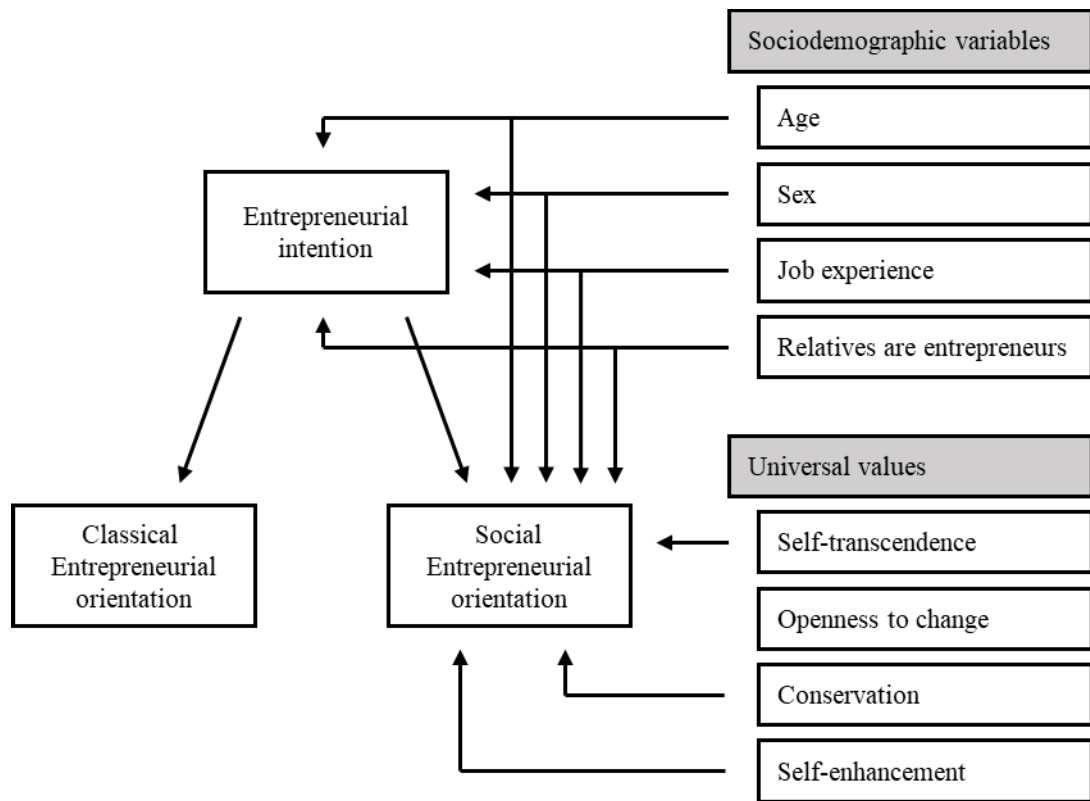


Figure 2. Profiling social entrepreneur (adapted from Sastre-Castillo et al. 2015).

Age has a slight correlation with the tendency of having social orientation in entrepreneurship. Older people are less likely to be social entrepreneurs compared to young people (Van Ryzin et al. 2009). That could be explained by the more idealistic nature of young people. Very little correlation has been found between previous work experience and becoming a social entrepreneur, although Van Ryzin et al. (2009) argue that people with more work experience and higher education tend lean more towards social rather than traditional orientation.

According to certain studies (Van Ryzin et al. 2009, Cukier et al. 2011), women have a greater tendency to become socially oriented entrepreneurs than men do, but Sastre-Castillo et al. (2015) examined this claim in their study and they found out that the

impact is not statistically significant. Despite this acknowledgement, this paper does take gender into account in the analysis to find out whether different sexes have varied motivations in terms of being social entrepreneurs. This paper tries to find out, what makes a person to become social entrepreneur.

In order to gain that information, five social entrepreneurs are interviewed and the results of the interviews are examined in the later chapters of the paper.

Sastre-Castillo et al. (2015) studied the profiles of various entrepreneurs, and they concluded that more than 50 per cent of entrepreneurial orientation is explainable through the possession of the values of self-enhancement, self-transcendence, and conservation. These values are depicted in the Figure 2. The researchers argue that entrepreneurs with high scores for the values self-transcend and conservation would lean towards social orientation. They also claim that entrepreneurs with high score for the value self-enhancement would often be traditionally oriented.

The characteristics of the value conservation are in line with the characteristics of a social entrepreneur, when the entrepreneur wants to search for harmony with people's opinions and social stability in relation with oneself and others. This means that a social entrepreneur seeks cohesion and also listens to employees and other stakeholders. (Sastre-Castillo et al. 2015.)

The value of self-transcend consists of categories such as universalism and benevolence. Universalism is about protecting, appreciating and understanding the well-being of people and nature. Benevolence is about concerning for other's well-being on daily basis through interaction with individuals. These categories portray a person who wants to help others and who cares about their well-being, which in turn relates to social entrepreneurship and the creation of social value. (Sastre-Castillo et al. 2015.)

The value of self-enhancement on the other hand consists of categories such as achievement and authority. Achievement is about having ambition and the desire for personal success. The category of authority refers to ruling and having power and control over people. These two categories are about achieving social status and

prestige, which are linked to a traditional entrepreneurial orientation. (Sastre-Castillo et al. 2015.)

Many factors contribute to the choice of entrepreneurial orientation and this study tries to find out why certain entrepreneurs choose social orientation over the other entrepreneurial orientations. In the next chapter, motivation research is examined from the viewpoint that relates to this study. Entrepreneurial motivations are connected to the choices entrepreneurs make and therefore, they are important to the choice of becoming a social entrepreneur.

3 MOTIVATION AND ENTREPRENEURSHIP

Motivation is a topic that is researched a lot in different contexts. Even entrepreneurial motivations are covered reasonably well in the research field of entrepreneurship. One aspect of motivation is still relatively slim in terms of its scholarly output and that is societal motivations and needs. Motivation research tend to focus on individuals and their motivational factors but motivation can be understood in a wider perspective as well. This chapter is dedicated to covering motivation research in general and particularly motivations for entrepreneurship with a societal take on the topic.

3.1 Research on motivation in general

Motivation is a topical research subject and it has a long history as an interest of research among scholars. There are a lot of different definitions and theories for motivation from various scholars and this chapter introduces some of the modern and better-known ones in chronological order. Most of the research on motivation is focused on individuals and what motivates them. This paper examines motivation more from the larger scale because social ventures are largely about helping the community. Therefore, a societal perspective is in place for this study, even though entrepreneurs are individuals and their actions are affected by their personal motivation factors. Motivation research in general can be divided into two categories: need theories and process theories. The originator of need theories is Abraham Maslow, to whom the next paragraphs are dedicated to.

Modern research on motivation takes back to 1940's when Abraham Maslow created and introduced "A Theory of Human Motivation" (1943). The study addressed motivation from a human perspective. Maslow introduced a theory of hierarchy of needs, that presents human needs and it is usually presented in a pyramid shape (see Figure 3). At the bottom of the pyramid are physiological needs and it is followed by safety needs, love and belonging needs, esteem needs and at the top of the pyramid are needs of self-actualization. According to Maslow (1943), humans have to fulfill their basic needs which are at the bottom before they can pursue higher needs. Human motivation goes through this pattern of the pyramid and it makes people to pursue their needs.

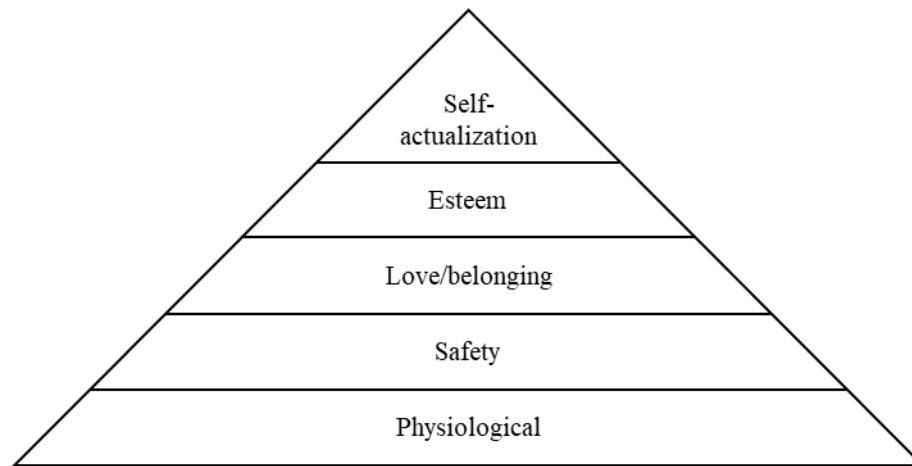


Figure 3. Maslow's hierarchy of needs (Maslow 1943).

Maslow is not the only scholar who approached motivation from the point of view of human needs. David McClelland (1961) created the need theory which is also called as three needs theory. The theory contains three needs that McClelland argues that every human has. The needs are: a need for achievement, a need for affiliation and a need for power. The need theory was based on the theory of hierarchy of needs by Maslow (1943). In addition to McClelland, Frederick Herzberg (1968) conducted a research on needs and motivation. Herzberg argues that there are specific factors that contribute to job satisfaction in workplaces. This argument is supported by the theory Herzberg introduced which is called two-factor theory.

Two-factor theory divides factors that either contribute to job satisfaction or dissatisfaction and organizes them into two categories: motivators and hygiene factors. Motivators are factors such as achievement, recognition and responsibility and they are known to cause job satisfaction. Hygiene factors that cause job dissatisfaction are recognized as company policies and administration, supervision and work conditions. Herzberg claims that factors leading to job satisfaction and job dissatisfaction are distinct factors and not related to each other. (Herzberg 1968)

Motivation theories that are based on human needs are not perfect and some criticism has been targeted towards them. O'Connor and Yballe reviewed Maslow's hierarchy of needs in their 2007 study. They claimed that although the theory in question is well recognized and has a good pedigree, the use of the theory is lacking in three ways.

Firstly, Maslow's theory is misreported and misunderstood. In addition to that, Maslow's positive message is usually undermined by references to irrelevant studies. Finally, the theory is often taken out of context and the offered perspective is too narrow. (O'Connor & Yballe 2007.)

Theories on motivation evolved from needs perspective to process based theories. Victor Vroom's (1964) expectancy theory and Edwin Locke's (2002) theory of goal setting were developed to advance motivation research. Vroom sees motivation as a process directing choices between various voluntary activities. That is a process that is controlled by the individual who ultimately makes the choice after weighing the expected results of certain actions to the desired results. Motivation is the product of the individual's expectancy that certain action leads to destined performance, performance leading to a result, and the desirability of the result. (Vroom 1964)

Locke developed goal-setting theory on the basis of empirical data collected over four decades. Ryan's (1970) premise, that conscious goals affect action, was the starting point for Locke's research. Locke defines goals as objects or aims of actions towards attaining a certain standard of proficiency, and it usually contains a time limit. Self-efficacy is an important concept in Locke's goal-setting theory. People with high self-efficacy tend to set higher goals compared to people with low self-efficacy. The former mentioned group of people possesses higher commitment towards assigned goals and they are more likely to use good task strategies to achieve goals. They also have more positive reactions to negative feedback than people with lower self-efficacy. (Locke 2002)

Locke's goal-setting theory relates to motivation in a way that setting goals and managing work processes can motivate people to strive for desired direction. It is relevant however, how the goal is set and laid out to the person who is supposed to achieve the goal. Researchers Latham and Erez collaborated with Locke on a study (1988) where they determined that an assigned goal is as effective as a goal that is set in a participative manner, but only if the purpose of the goal is explained. If the requisite is not explained, the performance is much lower with an assigned goal than it would be with a goal set in a participative way. (Latham, Erez, & Locke, 1988.)

Motivation is often discussed from the point of view of individuals. However, some scholars have taken a different route to the matter and they have examined motivation from a broader perspective. Leontiev argue that human motives cannot be explained by simply examining individuals (Leontiev 1978 via Miettinen 2005). These motives emerge from the usage and development of artefacts in collective human activities. Miettinen (2005) used Leontiev's concept, the concept of the object of activity, as a starting point for his study. In his study, Miettinen mentions the concept of artifact-mediated desire for recognition. He suggests that it can be used as a tool for describing individuals' motives in collective work activities. Individuals who develop their capabilities in relation to the entities and artifacts with which they are working in a collective, they are seeking recognition from a larger community of activities. The results that are derived from the collective objective are linked with the subsequent activities following the work of the collective, which means that individuals are likely to associate their motives and goals to the intermediary results of the collective object. (Miettinen 2005.)

It is apparent when examining motivation research that it can be understood in variety of ways. Baumeister (2015) is one of the more recent researchers on the field of motivation. He presents requirements for a general theory of motivation in his 2015 study. In the study, motivation is defined as wanting. Baumeister explains that it is a condition of an organism that contains a desire to change something in itself or environment. This is a somewhat controversial definition of the concept and not all scholars agree with this definition. Wright (2016) argues that motivation cannot be defined solely as desire, because wanting does not come in immediate forms such as drive and impulse. Therefore, scholars in the field do not fully reinforce Baumeister's definition of motivation.

Baumeister (2015) did not present a general theory of motivation, but he hoped that the requirements of such theory presented in his paper would eventually help other researchers to develop the theory. Motivation as a research topic is scarce and there is not a general theory of motivation yet to be developed, even though Baumeister and many preceding researchers have laid the foundation for it. Motivation research has multiple points of view and in the next chapter, motivation is viewed from an entrepreneurial aspect.

3.2 Entrepreneurial motivations

Entrepreneurial motivations are a relevant part of the research of entrepreneurship. Researchers are interested in what drives entrepreneurs and what motivates them. Many studies exist about the subject and some of them are introduced in this chapter. Connections between general research and theories on motivation and entrepreneurial motivation research are pointed out in the text whenever such connections have come across.

Research on entrepreneurship in the 1980's, 1990's and early 2000's disregarded the role of human motivation. Instead, the research focused on entrepreneurial opportunities, and environmental aspects that influence establishment of firms. Researchers at the time criticized empirical research on human motivation in entrepreneurship, as it was labeled as inadequate. Researchers Shane, Locke and Collins (2012) argue that previous inadequate research on the topic does not mean that the role of human motivation in entrepreneurship is not important. As a matter of fact, sociologists who have been strongly against trait-based entrepreneurship research have implied that motivation is a relevant factor in entrepreneurship process. Shane et al. (2012) argue that the criticism towards research on human motivation of entrepreneurs is the result of lacking consideration of the role of before mentioned research in the field of entrepreneurship research. Many scholars have therefore decided to create theories excluding the motivation factor. Shane et al. consider that decision as a problem, because the theories are missing an important element. (Shane et al. 2012.)

Entrepreneurial process is a term that has been described in the literature as a variety of processes ranging from start-up phase of the business to harvesting the business (DeTienne 2010). Researchers use this term regularly in their studies of entrepreneurship. According to Shane et al. (2012), entrepreneurial process happens because of people chasing opportunities. People are different in terms of abilities and willingness to act on the opportunities presented to them, which means that their willingness to pursue opportunities and their abilities affect the entrepreneurial process. Research in the 1990's and 2000's acknowledged the before mentioned causal connection and studies were conducted from the perspective of non-motivational individual differences. Those studies concluded that the willingness of people to

pursue their entrepreneurial opportunities depends on various factors such as social connections to investors, their stocks of financial capital, and opportunity cost. (Shane et al. 2012)

The before mentioned studies have neglected the importance of motivational differences of people influencing the entrepreneurial process. People are different in terms of their perception of risk and opportunity. Entrepreneurship is risky and it has a low success rate. Some people are more eager to go forward with their company than others, and this individual-level variation in motivation is important in the entrepreneurial process. Therefore, entrepreneurial motivations are an important area of research. (Shane et al. 2012)

In order to measure the effects of entrepreneurial motivation, other factors that could affect the entrepreneurial process need to be controlled. According to Shane et al. (2012), there are several categories of such factors and one of them is external environment. It can be divided into smaller sub-categories such as political factors, market forces, and resources. By political factors, researchers mean e.g. legal restrictions, quality of law enforcement, political stability, and currency stability. Market forces in turn include factors like technology regime, potential barriers to entry, structure of the industry, market size, and population demographics. The category of resources contains availability of investment capital, labor market, transportation infrastructure, and complementary technology. Many of the researchers in the field agree with the idea of controlling the before mentioned factors in order to measure how motivations affect the entrepreneurial process. (Shane et al. 2012)

It is apparent that the above-mentioned categories of factors need to be controlled to understand motivation's part in entrepreneurship. What is not apparent according to researchers Shane, Locke and Collins, is that how should we look at the concept of opportunities in the context of motivation and entrepreneurship. They proposed two points of view to the topic, because they could not agree on one shared view. Shane and Collins see the relationship between motivation and opportunities in a way that Shane and Venkataraman (2000) put it, which is that entrepreneurial opportunities are situations where a company is able to sell goods, raw materials or services at greater

price than it takes to produce them. Entrepreneurs can pursue opportunities in any field of business at any time, or they can establish a totally new industry. (Shane et al. 2012)

Shane and Venkataraman do not claim that the entrepreneurial process is totally defined by opportunities. Identical opportunities can cause entrepreneurs to respond differently, and there is no certain way of determining how the process will be taking place. It is about the vision of entrepreneurs. They have the idea on how to capitalize on the business opportunity. Sometimes entrepreneurs misinterpret an opportunity to be a good one when in fact it is not, at least not in the way they conceptualized it. The variance in the perception of the opportunity most likely affects the decisions the entrepreneurs make in the entrepreneurial process, which in turn can make it harder to measure the effects of motivation in the process. (Shane et al. 2012)

Locke approaches entrepreneurial opportunities from a slightly different angle. According to Locke, certain aspects of the environment viewed from a specific point of view can be called opportunities. They are potentialities for profit making. The difficulty with these opportunities is that it is a difficult task to calculate how well a business can do in a totally new industry. There are ways to predict how a business could perform in an already established industry by looking at the existing companies. Locke believes that this problem cannot be eliminated, but it can be controlled by using a sample of entrepreneurs from the same industry and country, and by measuring variables that could vary within the industry and region. While Shane and Venkataraman approach entrepreneurial opportunities from the perspective of understanding people's perception on opportunities, Locke sees the problem of calculating the potential of a specific opportunity. (Shane et al. 2012)

Shane, Locke and Collins (2012) reviewed some of the most important motivational concepts involved with entrepreneurship for their study. They looked at both quantitative and qualitative studies and they critically examined the concepts from their point of view. This paper follows that path that Shane et al. laid upon those who examine their study. In the following paragraphs, these concepts are presented one concept at a time using the insights of Shane et al. as well as using the original sources of information.

3.2.1 Personality traits and entrepreneurship

Numerous studies exist concerning the relationship between personality traits and entrepreneurship. This connection is considered to be relevant for entrepreneurial motivations. Researchers are intrigued by the relationship, which has caused the large interest in the topic. There is still a lot to learn about the phenomenon and it has been stated that personality traits cannot be used as precise predictors of all the aspects of entrepreneurship. These aspects include intentions to start a business, starting the business, and success of the business. Emmeline de Pillis and Kathleen K. Reardon (2007) studied the predictive value of three characteristics often associated with entrepreneurs. The characteristics are achievement motivation, tolerance for ambiguity and personal efficacy. In their study, de Pillis and Reardon examined how entrepreneurs from different countries differ in personality traits. They compared Irish and US participants and the conclusion was that there is a difference in the decisions to become entrepreneurs. While US participants were driven by the need for achievements, Irish participants' entrepreneurial intentions were not affected by that. Various factors affect entrepreneurial intentions and motivations, and they can vary from country to country. These findings give a reason to believe that entrepreneurship in general can be different in Finland compared to other countries, which in turn makes it interesting to do research on entrepreneurial motivations in Finland. (de Pillis & Reardon 2007.)

When personality traits and entrepreneurship comes into question, David McClelland's concept "need for achievement" (nAch) is one of the most discussed concepts in its domain. Need for achievement or achievement motivation as de Pillis and Reardon (2007) call it, is considered as the most dominant predictor of entrepreneurship. According to McClelland (1961), individuals who have high nAch compared to the individuals with low nAch, are more likely to get involved in activities that require high amount of individual responsibility for outcomes. They also participate in activities that require individual effort and skill, have a degree of risk, and provide clear feedback on the performance. McClelland claims that entrepreneurial roles require higher degree of the before mentioned attributes and therefore, individuals with high nAch tend to go for entrepreneurial jobs over other types of roles. (McClelland 1961)

McClelland's claims have been verified in some studies over the years. Johnson (1990) for example, reviewed 23 studies that covered entrepreneurship from different points of view with varied definitions of entrepreneurship. Johnson discovered that nAch distinguished entrepreneurs, or more specifically firm founders, from other members of society. Fineman (1977) conducted a similar review of 19 studies, which showed that nAch can be used to predict firm founding. Researchers Collins, Locke, and Hanges (2000) had similar results with the other researchers who studied nAch and entrepreneurship. They concluded that there is a clear connection between firm founding and nAch, and that nAch predicts the performance of the founder's firms. According to Collins et al. (2000), nAch can be a very useful tool to predict entrepreneurial activity, but in it has its own limitations. While nAch can differentiate firm founders from other professions, it cannot effectively differentiate firm founders from managers (Collins et al. 2000).

Other personality trait studies have examined the role of risk taking in entrepreneurship. When an entrepreneur establishes a new venture, he or she is at risk of financial failure and potential embarrassment. On the other hand, if the venture is successful, the entrepreneur is in a position to gain wealth, independence, and a sense of accomplishment. Entrepreneurship is risky in its nature, with a potential to win or lose a lot. According to de Pillis and Reardon (2007), it is reasonable to assume that the people who are willing to become entrepreneurs have higher tolerance of risk than other types of people. Risk taking and risk tolerance however, are not considered to be personality traits in the literature. (de Pillis & Reardon 2007.)

Adventurousness is a better variable than risk tolerance in predicting entrepreneurial behavior, when it is captured by measuring tolerance for ambiguity (de Pillis & Reardon 2007). This is a distinct factor that separates entrepreneurs from managers, as they have a substantially higher level of tolerance for ambiguity than managers (Low & MacMillan 1988).

Personality trait studies are used to examine the differences between entrepreneurs and other people, and to predict entrepreneurial behavior. Locus of control is another personality trait that divides entrepreneurs from others. People with an internal locus of control believe that their own actions will affect the outcomes of life, whereas

people with external locus of control believe that luck and other external factors affect the outcomes (Rotter 1966). Internal locus of control is often linked with entrepreneurial venturing and success (Gatewood, Shaver & Gartner 1995). Researcher Julian Rotter (1966) claims that people with an internal locus of control like to see their actions to have an immediate impact on results and want to control their destinies, at least in a financial sense, which in turn fuels their desire to become entrepreneurs. Rotter's scale on locus of control is the foundation of research on the topic, but it has received some criticism from scholars. One type of criticism is that the scale is one-dimensional, and it does not take into consideration people's perceptions of control in different aspects of life (de Pillis & Reardon 2007). Another criticism towards locus of control, is that it cannot be used reliably to differentiate entrepreneurs from managers, which was a problem with nAch as well. According to Shane et al. (2003), the two personality traits can only differentiate entrepreneurs from general public.

Personality traits are among the things that affect the entrepreneurial process. Researchers do not consider personality traits as perfect predictors of entrepreneurial behavior, but some of personality traits such as nAch can be used to predict entrepreneurial intentions quite reliably (Collins et al. 2000). In the next subchapter, entrepreneurial motivations are examined from another point of view. Entrepreneurs' motivations are affected by many variables, and environmental factors certainly contribute to the motivations of entrepreneurs. Therefore, it is important to take into consideration the cultural and environmental factors in entrepreneurship.

3.2.2 Cultural and environmental factors in entrepreneurship

According to researchers Krueger, Reilly and Carsrud (2000), contextual factors do not work as predictors of starting new business ventures. The contextual factors that were under their examination are factors such as previous work experience, job displacement, resources available, and governmental influences. Segal, Borgia and Schoenfeld (2005) argue, that there is no reason to assume that there would be a clear connection between environmental factors and entrepreneurial activity. These external forces (environmental and cultural factors) may promote and offer a better support for entrepreneurship, but it may as well be that people would pursue entrepreneurial

careers even without any external forces. The predicate is that it is hard to tell whether external forces have a role in these career choices. (Segal, Borgia & Schoenfeld 2007)

Despite the claims dismissing the cultural and environmental factors from affecting the entrepreneurial process, there are some studies that support the other perspective on the matter. De Pillis and Reardon studied the influence of personality traits and persuasive messages on entrepreneurial intention in 2007. The study was a cross-cultural comparison between undergraduates in the USA and the Republic of Ireland, in which the undergraduates' perceptions of entrepreneurship were examined. (de Pillis & Reardon 2007)

The results of the study pointed towards existence of cultural differences between Irish's and Americans' perceptions of entrepreneurship. Based on their study, entrepreneurship seems to be more natural in the US compared to Ireland. One of the measurements used in the study was participants' perception of self-consistency, and the researchers found out that the American participants had higher score in self-consistency. In that context, self-consistency was a matter of association of the word entrepreneur with oneself. Irish participants did not imagine themselves as being entrepreneurs nearly as often as Americans did. Results of the study implied that self-consistency can predict entrepreneurial intentions. National identity consistency can be used as a predictor of the entrepreneurial intentions as well, and it also showed differences between the two target groups. Compared to the Irish, American participants scored higher in national-identity consistency, which indicated that Americans perceive their own nation as an entrepreneurial nation and Irish did not. (De Pillis & Reardon 2007)

With their research paper, De Pillis and Reardon clearly showed that entrepreneurship is different depending on the cultural and environmental factors. They questioned whether personality factors truly are the best predictors of entrepreneurial intention as they were claimed to be. De Pillis and Reardon addressed the importance of persuasive messages for entrepreneurial careers. One noticeable finding of the study was that positive messages about entrepreneurship were associated with entrepreneurial intention. Cultural differences have a part in the perceptions about the persuasive

messages, which means that in some countries the messages are not as persuasive as they are in other countries. (De Pillis & Reardon 2007)

In the study, the researchers found out that it is hard to take the first step to start a company in Ireland because of the environment. A person who pursues entrepreneurial career in Ireland may need to have an insurgent nature, because of the social pressure and discouragement that he or she has to face. In the US, entrepreneurship is much more of a conventional career than it is in Ireland, making it easier to start a company. Based on the study, it is easy to imagine that there are significant differences in the perceptions of entrepreneurship in other countries as well. (De Pillis & Reardon 2007)

4 RESEARCH METHODOLOGY

The research methodology used to study the motivations for social entrepreneurship is introduced in this chapter. There are number of factors to be considered when starting a research project such as defining the research problem, reviewing prior literature, designing the research, collecting data, and analyzing the data (Kothari 2004). According to Kothari, research methodology is a way to systematically solve the defined research problem. Therefore, the researcher should carefully choose the research methodology.

There are two germane approaches to scientific research: quantitative and qualitative research (Kothari 2004). Eriksson and Kovalainen (2008: 6) claim that quantitative research is a dominant approach to research in social sciences, including business research. Qualitative research is often seen as the opposite to quantitative research. The latter provides an opportunity to focus on the complexity of the studied phenomenon and it generates new knowledge on how things work in real-life situations. Qualitative research can be used to find out why things work as they do and how can we understand them in a way that allows us to make changes in them. The research method can also provide a reflective and critical view of the social world of business and its process. (Eriksson & Kovalainen 2008: 6-7.)

This study is qualitative in its nature. It helped to fulfill the purpose of the study, which was to gain knowledge of the motivations of social entrepreneurs. Qualitative approach to research usually means that the researcher is interested in opinions, attitude and behavior (Kothari 2004). Social entrepreneurs' motivations, intentions and behavior are in the center of this study and therefore the qualitative approach to this study is justifiable.

There are number of ways to collect empirical data, and the selected method for data collection in this study was semi-structured interviews. Interviewed companies and the method that was used to select the companies are introduced in this chapter (see Table 3). In addition to that, the empirical data collection process and the method of analysis are explained in the following sub-chapters.

4.1 Introduction of interviewed companies

The five social entrepreneurs (see Table 3) who took part in the study, were selected from a list of social ventures in Finland. That list can be found in a website by the Association for Finnish Work (2017). Therefore, all the companies that the entrepreneurs are running, are officially social enterprises, at least according to the Association for Finnish Work, and have managed to acquire the Finnish Social Enterprise Mark. In order to get the mark, a company has to apply the Finnish Social Enterprise business model. The requirements for the mark are presented in the chapter 2.5.

Interviewed companies were approached by email and the interviews were conducted via Skype. Duration of the interviews were between 30 and 55 minutes. The names of the companies and their owners are irrelevant for this study, so they are presented anonymously. Interviewed companies are referred to as Company A, Company B and so forth. The entrepreneurs are referred to as Jaakko, Vilma, Sini, Tommi and Simo. The names are made up for this study. Despite the anonymity, all information such as field of business, number of employees, and turnover are factual, along with all of the examples, stories and other data that the interviews provided. Yearly turnover figures are presented in different categories and they are as follow: 0 – 50 000 €, 50 001 – 100 000 €, 100 001 – 500 000 €, and over 500 000 € (see Table 3).

Four out of five companies, (A, B, C and D) that were interviewed, operate in the field of business of social and welfare services. Company E operates as an investment company. Despite the differences in their business sectors, the results and answers were aligned with each other. Based on the results, it seems that the motivations for SE are similar across various forms of businesses. The results are discussed in greater detail in chapter 5.

Basic information of the companies is presented in this chapter. Table 3 depicts key numbers and facts about the interviews and the companies. More information about how the companies were founded and how they became socially oriented is presented and examined in the chapter 5, where results of the study are explained.

Company A

The first of the interviewed companies, which is referred to as Company A in the paper, is operating in the field of elderly health care. It was founded in 2013 by Jaakko, who started the company from unusual circumstances. Jaakko started studying management and organization in a university in 2010 and a couple of years into his studies, the university provided a course where it was possible to take part in an innovation competition. Jaakko took part in the course, which ultimately led him to the path of entrepreneurship. The process of starting the company is explained in chapter 5.1.

The main business of the company is to offer sheltered accommodation services. The company has 25 employees including part time workers and last year's generated turnover figure was in category of over 500 000 €. Company A has been socially oriented business from the beginning and they were rewarded the Finnish Social Enterprise Mark after a year of doing business.

Company B

Company B operates in health care sector as well and it offers in-house services such as occupational therapy and psychotherapy. The company also offers family therapy and horse-riding therapist's services through subcontracting. Company B has less than 10 employees at the moment and the company goes to turnover category of 100 001 – 500 000 €.

Vilma, the founder of Company B, started the operations in 2009 as a sole trader after graduating as an occupational therapist. After a while, the business grew and there was a need for employees, so Vilma decided to switch the business entity into limited company. She is the only owner of the company, but she is looking forward to bringing a business partner to the company.

Company B operated as a traditional company for a while until Vilma discovered the existence of the Finnish Social Enterprise Mark. The main principles and ideas of social entrepreneurship were in practice in some form or another in the business even before applying for the mark.

Company C

The founder of Company C, Sini, is a Licentiate of Medicine. She had a job in a health technology assessment (HTA) work group in governmental institution. Her department was under a threat of discontinuation and she decided to become an entrepreneur. Company C, which was founded in 2013, continues her work in health technology assessment sector.

The company's main service is HTA work for governmental institutions. Even though Sini started as sole trader in 2012, Company C has five partners and one employee at the moment. Only one of the partners work full time, while others work whenever they have a project to work on. Company C generated 50 001 – 100 000 € in turnover in 2016.

Company D

Company D was founded in 2012 by a recent university graduate Tommi. He has a master's degree in economics, which he acquired from a foreign university. He was interested in SE during his studies and after winning an innovation competition in the university with an idea for a social enterprise, he decided to start Company D. Basically, the business idea of Company D is to offer a service that allows people to access psychotherapy easily. At the moment, the company has three to four people working for it depending on the demand but only Tommi is working full-time. The company belongs to a turnover category of 0 – 50 000 €.

Social orientation has been in the company from the inception and they successfully applied for the Finnish Social Enterprise Mark in 2013. Today, Company D continues operating in the mental health services sector by working with psychotherapists bringing them into contact with people in need of therapy.

Company E

Simo, the founder of Company E, has a doctoral degree in engineering. He worked with clean technologies in an energy company and started an investment company for

promoting clean energy, before he started Company E in 2014. The company was the first Nordic impact investing company. Essentially, the company started funds that carry out series of investments that are designed to solve social problems. The investments go to improving work conditions in government institutions, supporting immigrants especially in job markets, and prevention of social exclusion of children and young people. Even though, Company E's operations has been socially oriented from the beginning, the company applied and received the Finnish Social Enterprise Mark in 2017. The company has six employees currently.

Unlike other companies interviewed for this study, Company E operates in the field of investing. That presents the fact that a social enterprise can function in many business areas.

Table 3. Interviewed companies

Company	Number of employees	Turnover	Title of an interviewee	Gender	Duration of an interview
Company A	25	Over 500 000 €	Co-founder & CEO	Male	42 min
Company B	6	100 001 - 500 000 €	Founder & CEO	Female	39 min
Company C	6	50 001 - 100 000 €	Founder & CEO	Female	55 min
Company D	4	0 - 50 000 €	Founder & CEO	Male	39 min
Company E	6	50 001 - 100 000 €	Founder & Chairman	Male	30 min

4.2 Empirical data collection

When choosing the method for data collection, a researcher must keep in mind that there are two types of data: primary and secondary (Kothari 2004). According to Kothari, primary data are original and somethings that are collected for the first time. Secondary data, on the other hand, are a collection of data that someone else has already collected, says Kothari. This paper's data are primary data, that can be collected with interviews, observations, or by asking participants to write or draw stories. (Eriksson & Kovalainen 2008: 78) The method chosen for this paper is interviews and it is an often-used technique for data collection in qualitative research (Eriksson & Kovalainen 2008: 79).

According to Leech (2002), there are many types of interviews that can be applied in scholarly research and each has an appropriate situation for its usage. Unstructured interviews are more conversations than interviews in their nature. Even the topic of the interview can change during the interview. The problem with unstructured interviews is that they can wander off in unexpected directions. They are also hard to compare with other interviews, which makes them an inconsistent source of data. This type of an interview is appropriate in a situation when researchers have limited knowledge about the topic or they want an insider view. At the other end of the spectrum are structured interviews. They consist of very specific questions to a specific topic. Structured interviews are used in situations where researchers are familiar with the subject matter and they are expecting precise answers from the participants. However, this interview method can cause problems when researchers assume that they are familiar with the topic but they end up asking the wrong questions. That could lead to omitting important response choices and in the end, the study would have reliable data without content validity. (Leech 2002.)

The empirical data for this research paper were collected through five semi-structured interviews. Leech (2002) argues that the method of semi-structured interview is in the middle ground of the two interview methods that are introduced above. Semi-structured interviews can provide depth, detail and insider's view on the studied subject matter, while being comparable between each other which is helpful in the data analysis (Leech 2002). According to Rabionet (2011), semi-structured interviews in particular are great when you want to narrow down certain topics that you want to ask from the interviewees. Rabionet (2011) explains that she chose semi-structured interviews as a data collection method for a study, because she wanted to cover certain topics but she also wanted to include the participants stories in the interview data. That reasoning was applied into this research paper as well. Using semi-structured interviews as a method to collect the empirical data worked well for the study as the interviews were designed to capture entrepreneurs' motivations and thoughts about SE.

A semi-structured approach helped to keep the interview closer to a normal discussion about a topic than structured interview would have and there was room to play with the themes of the interviews. Interviewees had the opportunity to follow their train of

thought without interruptions, which most likely brought a better outcome from the interviews. Some questions were used to guide the conversation to the desired themes, which were the motivations to start and run a social enterprise and how being a social enterprise shows in day to day business operations. Not all the guideline questions were asked in all the interviews, but the conversations ended up being similar in structure. The interview structure is displayed in the appendices (see appendix 1).

The language used in the interviews was Finnish because all the interviewees were Finnish entrepreneurs and it made more sense to interview them by using their native language. A different language can have a major influence on the results, because concepts in can be understood and interpreted differently in another language (van Nes, Abma & Jonsson 2010). Therefore, in order to eliminate translation difficulties for the interviewees during the interviews, Finnish was chosen as the language for the interviews.

All the interviews were conducted via instant messaging application, Skype. The application allowed the interviews to take place in the convenience of not having to travel to the location of the interviewee. Interviews were recorded using a recording software on a computer, which made it easy to transcribe the interviews.

4.3 Analysis of empirical data

Next step in the research process, after the data collection was completed through interviews, was to transform the digital audio recordings into a transcription. Transcriptions are understood as being individuals' engagement in conversations presented in a graphic format (Kowal & O'Connell 2004). Those engagements could be i.e. interviews or every day chats. According to Kowal & O'Connell (2004), transcripts' purpose is to make the conversations of the interviews accessible on paper for scientific analysis.

Interviews for this research paper were transcribed right after the interviews were conducted, as to make sure that the experience would be captured in great resolution. Based on the audio recordings, the interviews were carefully transcribed into text. All

transcriptions combined added up to 28 pages of text. Because the interviews had been conducted in Finnish, all five interviews had to be translated into English.

The empirical data collected for the research paper must be analyzed. There are multiple methods that can be used to analyze the data from qualitative interviews (Schmidt 2004). Content analysis method was used in this paper's data analysis. The method of analysis is widely used in qualitative studies (Hsieh & Shannon 2005).

The data analysis starts with the researcher reading all the collected data multiple times in order to obtain a general view on the material. Then, the material is read extremely carefully word by word to derive codes. This process continues by highlighting some of the words that seem to capture key concepts or thoughts. After that, the researcher makes notes of his first impressions and thoughts about the data. By doing this systematically, labels for codes start to emerge that reflect multiple key thoughts. The code labels originate directly from the material and then become the initial coding scheme. In this point in the process, codes are categorized based on the relationships and linkages of the codes. (Hsieh & Shannon 2005.)

The method of analysis in question is useful in finding thematic occurrences in the data. In other words, themes that occurred the most in the interviews were discovered and they were examined in detail. In the next chapter, the themes of the data are displayed and examined with the help of the theoretical framework, and they are presented as the results of the study.

5 TOWARDS SOCIAL ENTREPRENEURIAL ORIENTATION

This chapter is dedicated for examining empirical findings that are derived from data analysis. The empirical data is examined with the help of the theoretical framework that was structured for this paper. That process of empirical examination is used to answer the research questions of the paper.

The coding of the empirical data revealed three thematic categories that occurred in all of the interviews. The categories are: becoming an entrepreneur, motivations for social orientation, and impact of being a social enterprise. These categories are used as sub-chapters in this section of the paper and they form a timeline in a way. First theme is about becoming an entrepreneur and starting a company. Second theme comprises of motivations and factors that lead the entrepreneurs into social orientation in their ventures. Last theme is about how being a social entrepreneur affects their business operations and what kind of an impact it has on them. Therefore, the results of the study are depicted in this order. The categories contain all the important information regarding the data collected for this paper.

The chapter contains direct quotes from the interviewees. As the interviews were conducted in Finnish, the quotes had to be translated into English. Translations were executed in a way that the English quote would offer as accurate representation of the original quote as possible.

5.1 Becoming a social entrepreneur

A big theme in this research paper is that of becoming a social entrepreneur and what motivations guided the entrepreneurs into that path. In this sub-chapter, the results of the interviews are examined from the perspective of why the entrepreneurs decided to start their company. Another theme, motivations for social orientation in entrepreneurship is touched upon in this sub-chapter, but it is examined in greater detail in chapter 5.2. Theoretical framework is used in interpreting the results and in understanding the motivations and behaviors of the interviewees.

All the entrepreneurs interviewed for this paper started their companies in different circumstances. However, some similarities occurred in their stories of how they ended up in the path of entrepreneurship. Companies A and D got initially started from university courses that included innovation competitions. Company A's entrepreneur Jaakko described the process of starting the company in a way that implies that the decision to becoming an entrepreneur came to him rather unexpectedly.

Jaakko enrolled into the course that partly consisted of the innovation competition. The competition was organized by Demola, which is an innovation ecosystem that facilitates co-creation projects globally (Demola 2017). It was his group's task to develop a business plan for a company that the city of Tampere and The Finnish Innovation Fund Sitra were working on. The company was related to a project that was aimed at developing a certain location in which a lot of elderly people lived. A year after the project, Jaakko was in a summer job where he was helping in the preparations of starting the company. Meanwhile, he was also doing his thesis on social enterprises. During and after his studies, Jaakko has had deep connection to SE.

Jaakko's summer job prolonged and in 2013, he had the position of project coordinator and as well as a position in the steering group. They had three goals for the project. The first goal was to develop a better management of a certain area where a large number of elderly people live, so they organized a training program for managers. The second goal was to improve supply chain policies in the area, so that acquisitions could be more innovative. Finally, the third goal was to start a social enterprise. When the project was coming to an end, it seemed that the social enterprise would not come to fruition. According to Jaakko, many who were involved in the project had shown interest in starting the company and becoming an entrepreneur, but ultimately none were willing to quit their jobs and to become the entrepreneur for the company within the terms that existed at the time. The steering group of the project suggested that Jaakko could start the company if he would like to do so. He decided to seize the opportunity and started Company A with a business partner.

“I had met people during the project and I contacted one of them who had substance know-how of elderly care. We managed to establish a company and that's how I became an entrepreneur with a business partner.” (Jaakko, Company A)

The opportunity to start a company was unexpectedly presented to Jaakko and it was not something that he had planned all along. He was familiar with social enterprises and he was also involved in the project that aimed at starting the social enterprise. These factors contributed to the decision that guided Jaakko to entrepreneurial career path.

Company D was founded in 2012 by Tommi, just after he had graduated from a university. He has a master's degree in economics, which has helped him to acquire important business skills to start a company. During his studies, Tommi was interested in social business and he even did his thesis on how to combine marketing and charity work. In his master's thesis, he studied employees' motivations in social enterprises. One reason why Tommi got interested in SE was that it could bring together his own values as well as his economic studies.

“Why I became an entrepreneur? I had not really thought about it but initially, I had first-hand experience on how hard it is to get help and I was eager to help others. Additionally, I had a degree in economics so by combining those factors together, I felt that I needed to do something concrete.” (Tommi, Company D)

It all started from a university course that, again, included an innovation competition. Tommi had an idea to create a service that would allow people to get help for mental problems more easily. Tommi pitched his idea in the course and he was successful. The idea got first place in the competition. That gave him the validation needed to take the idea further. After his graduation, Tommi decided to materialize the idea and established Company D in 2012. It took couple of years to develop the idea and the company started its operations in late 2013 or in 2014.

One of the primary reasons for starting Company D was the desire to do business based on his own value system. After his graduation, Tommi was looking for a job, but he soon realized that his values did not reflect the values possessed by the companies where he was interviewed. He felt that many companies were just looking to make a quick profit and working for such companies seemed repulsive. Once he made that discovery, he decided to start Company D. Tommi also wanted to make sure that he would seize the opportunity that Company D possessed. His business idea was

validated in the business innovation competition that he won and therefore, he thought that there might be a good opportunity to transform the idea into a real business.

Both, Company A and D, were started initially from innovation courses and that is how the entrepreneurs got involved in the creation of the social enterprises. Companies B and C, however, were products of ideas that grew over time through the work and experiences of the entrepreneurs. Company E could be included in that category as well because the entrepreneur, Simo, had previously worked on projects and companies that created social value and he used the experiences to establish Company E.

Company B's founder, Vilma decided to start her own company in 2009, because she wanted to advance her career and educate herself through the company. She had been working as a therapist for a long time in a few companies prior the establishment of Company B, and she felt like she could not influence work methods and practices as an employee. Vilma had a drive to improve the quality of work and the ways of working and therefore, she started Company B. The company offers similar services than the companies had offered where Vilma had worked for. She started her entrepreneurial career as sole trader and later as the business grew, Vilma changed the company form to a limited company. In her decision to become an entrepreneur, she was influenced by the opportunity to improve the work that she was doing as a therapist as well as the freedom entrepreneurship offered.

“I started my own company because I wanted develop myself. I also wanted to improve the quality of services and alter the operation modes of a company. I was unable to do those things as an employee.” (Vilma, Company B)

Company C was founded from similar conditions than Company B. The founder of Company C, Sini used to work as a specialist occupational health physician. Meanwhile she was doing health technology assessment work as a part time job. Health technology assessment (HTA) is a task that public servants used to do in governmental institutes. The institute responsible for the HTA work in Finland shut down the depart where Sini used to work recently. A couple of years before the abolishment of the department, Sini and her coworkers realized that there were signs that indicated that the department would come to an end some day in the near future.

Therefore, Sini began to ponder about the possibility of becoming an entrepreneur and eventually she decided to start working as a sole trader in 2012. A year after that as the business grew, she felt like it was time to continue operations as a limited company.

The threat of shutting down the department where Sini used to work was the main reason she started her own company. It soon became a reality that the department in question had stopped operating and the threat concretized. According to Sini, another reason for starting Company C was the independence and freedom that came along with entrepreneurship. Also, she explains that secession from previous work place allowed her to seize another working opportunity as she was offered a work contract in Netherlands. Those were the three main reasons of becoming an entrepreneur.

Company E came into fruition through a combination of education, work experience and meeting the right people. Simo, the founder of Company E, studied engineering in a university of technology. After the university, he used to work for an energy company for 12 years and he worked with clean technology services. The job appealed to him through the environmental nature of the job description. Ever since Simo started studying in a university in 1980's, he had a mission to contribute to the well-being of the environment. He concentrated on environmental protection during his studies at the university and after his graduation, Simo started working on the clean technologies. In 2001, he started to think about entrepreneurship as an option to continue to work on the environmental issues that he cared about. Later that year, he ended up starting a company with a partner. That company has a mission to reduce emissions and to promote energy efficiency by investing into clean energy technologies.

In 2014, Simo became acquainted with his upcoming business partner, who had a background as a venture capitalist in foreign markets. They decided partner up in 2015 and they founded Company E. The company solves social problems through investments, which was Simo's goal when he started the company.

“Entrepreneurship is, in its principal, a task for a crazy person. I have never met an entrepreneur who would claim that entrepreneurship is easy work and an effortless way to get rich. It is very hard work and therefore you need to have your heart in the game and a good motivation to do it.” (Simo, Company E)

Simo was motivated to start the company because an opportunity presented itself. When he met his business partner who had skills in the venture capital markets, they were able to discuss possible future ventures together. The primary reasons for founding Company was the opportunity to solve social and environmental problems. Simo also talked about freedom and independence from the corporate world that was appealing to him. He argues that it would be difficult to do something else than being an entrepreneur at this point.

According to Sastre-Castillo et al. (2015), social entrepreneurs can be separated from traditional entrepreneurs by looking at their entrepreneurial attitude. It comes from where the entrepreneurs seek their opportunities. Social entrepreneurs seek opportunities where ever social needs exist and all the companies do fulfill that role. All the entrepreneurs that were interviewed sought opportunities from places where they could solve social problems. Company A was founded to solve problems related to an area where elderly people lived. Companies B and D make it easier for people to get help for mental problems through services that provide access to therapy. Company C contributes to securing the integrity and good policies in health technology services. Company E solves social problems related to immigration, work environment and social exclusion of children and young people.

According to scholars such as McClelland, Gatewood et al., and Rotter who have studied personality traits and their effect on people's tendency to become entrepreneurs, argue traits like locus of control, risk taking, and nAch influences the decision to start a company. Analyzing the interview answers revealed that these entrepreneurs are risk takers instead of risk avoiders. Jaakko i.e. started Company A when no-one else had the courage and intent to do so. Company D was started when Tommi did not feel like other companies shared the values system with him. He took a risk to become an entrepreneur as did all the interviewed entrepreneurs. Company D's founder had to decide between her job at a governmental institution and entrepreneurship and ultimately, she can argue that the decision was correct as the institution shut down her department.

People with high score in nAch are more willing to involve themselves into activities that require plenty of individual responsibility for outcomes (McClelland 1961). As

entrepreneurship is considered as a high responsibility task, the interviewees are in a position that most likely require high nAch score. The entrepreneurs are trying to solve social problems in a society which is very responsible task to anyone. All the interviewees also have subordinates and they explained how they want to be fair to them and treat the subordinates well. All of these factors suggest that the interviewees would score highly in nAch.

Gatewood et al. (1995) claim that internal locus of control is linked with entrepreneurial venturing and success. Entrepreneurs who have a high score in locus of control are inclined to see immediate impact on results and they need to have control over their destinies (Rotter 1966). This mental state can contribute to the desire of becoming an entrepreneur. The empirical data indicates similar characteristics with the interviewed entrepreneurs. At least entrepreneurs from Companies A, C and E mentioned that the freedom that comes with entrepreneurship was one of the most important factors in entrepreneurship. The desire to get freedom in their work and the fact that they are creating social value indicate that they want to control their destiny and that they want to see the immediate impact of their work.

Entrepreneurship is different depending on cultural and environmental factors (De Pillis and Reardon 2007). According to De Pillis and Reardon (2007), it is hard to take first step towards starting a company if the environment does not contain persuasive messages for entrepreneurial careers. All the entrepreneurs in this study, emphasized the fact that it was not an easy choice of becoming an entrepreneur. According to Jaakko, Company A, many had the opportunity to start Company A as it was a product of an innovation project but no-one besides Jaakko and his business partner were willing to establish the company. Jaakko assumed that the risks involved in entrepreneurship were too much to people who were accustomed to being employees. Other entrepreneurs said the same thing that entrepreneurship is not heavily promoted in Finland, which in turn does not increase the positive perceptions of entrepreneurship.

5.2 Motivations for social orientation

The main purpose of this research paper is to find out why entrepreneurs choose to become social entrepreneurs. Therefore, the motivations for social orientation were emphasized during the interviews. All of the companies are socially oriented businesses at the moment, but not all of them were social enterprises from the beginning. Despite the technicality of not having the Finnish Social Enterprise Mark to show for their social orientation, every entrepreneur had values that reflected social entrepreneurial orientation from the start.

In this study, SE is considered as having a mission to create social value by providing solutions to social problems (Dacin T, Dacin P & Tracey 2011). All the entrepreneurs interviewed for the study seem to agree with this definition of SE. In their stories of why they chose to become social entrepreneurs, they put social value creation and social problem solving to the top of their priorities and reasons for social orientation.

This study is primarily concerned about why the entrepreneurs chose social orientation in entrepreneurship. However, it is also a valid point to consider that when did their companies become social enterprises. Both points are addressed in this chapter.

Company A was born as a social enterprise. The whole point of starting the company was to start it as a social enterprise, because it was one of the goals in the project that Jaakko, the entrepreneur of the company, was involved in. In addition to that, Jaakko was extremely focused on SE during his studies in the university. He did his thesis on social enterprises and more specifically, on the value chain and how it would change when a traditional company transforms into a social enterprise. When asked what motivated him to become a social entrepreneur, he answered in the following way.

“Perhaps the biggest motivation for becoming a social entrepreneur was that it provided a good opportunity to test out the things that I had pondered in the thesis. As I have studied leadership, I knew all the challenges in this field of business and I wanted to approach it from the perspective of a new business model. It is exciting to get to try out this new way of thinking. Additionally, it is easier as an entrepreneur to do the kind of business that you can stand by because no-one can argue that your business is not doing good things.”
(Jaakko, Company A)

Jaakko states that the biggest reason for becoming socially oriented is trying out the things that he had learned about leadership and SE in practice. That prospect was interesting to him and it was the major reason why he became an entrepreneur in the first place. As Company A was a social enterprise from the beginning, the reasons for starting the company and becoming a socially oriented entrepreneur were heavily interlinked. He did not have to transform a traditional business into a social enterprise because the business was born as the latter form of business.

In his interview, Jaakko indicated that he wanted to be proud of the business that his company does. It presented in the quote above, where he says that it is easier to be an entrepreneur when you can stand by the way the company operates. Therefore, Jaakko wants the company to reflect his own value system. The company manages to do that by creating social value.

Unlike Company A, Company B operated as a traditional company for a while. Yet, the founder of the company, Vilma incorporated policies and practices from the very beginning that can be assimilated to social enterprises. Vilma explains that when a company works in social welfare sector, it is essentially socially oriented business. She initially sensed that there was a contradiction with offering health services while doing business. Vilma had a hard time accepting the contradiction, but she pushed through the doubt by leading the company in a way that she was comfortable with. In a way, Vilma considers all business as societal actors that create social value but it was her own value system that prepared her company to social orientation and consequently Company B applied for the Finnish Social Enterprise Mark. The Association of Finnish Work awarded the mark a few years after Company B had started its business operations.

It was important for Vilma to get the mark. She accounts the mark as a commitment that guides the company in its daily operations. When a company agrees to the terms laid by The Association of Finnish Work, it has to obey the limited profit allocation that comes with the terms of the mark. The limited profit allocation that she refers to, is a tool to make social enterprises use over 50 per cent of their revenue into the development of the company's own operations or to donations that serve the company's mission. Without the commitment to the terms and requirements, Vilma

argues that the promises could go unfulfilled for many companies. According to Vilma, the mark made it official that Company B was indeed a social enterprise.

When Vilma was asked why she decided to run her company as a socially oriented business instead a traditional business, she said that it was an easy choice. She pondered about her values and the way she wants to run the company and she concluded that the company should be transparent, ecological and anthropocentric. According to Vilma, becoming a socially oriented entrepreneur was easy and it would have been harder mentally to become a traditional entrepreneur. Despite being socially oriented company, Company B should be successful and profitable, Vilma argues. She believes that the company should be a combination of socially oriented operations and being a sustainable business.

Company C's transition towards being a social enterprise began right from the beginning of the company. Sini wanted the corporate by-laws to reflect her ideas for the profit allocation and lack of profit maximization. She was not interested in making as much money as possible and she wrote the corporate by-laws to reflect that perspective on profit making. The company was to invest its profits on the development of the company. Company C was therefore socially oriented from the initiation. Sini made the orientation clear to the partners that joined the company. Company C was rewarded the Finnish Social Enterprise Mark after a couple of years of operations.

“... I said to them directly that it is important to have these principles. This company does not make profit for the shareholders but it develops its operations and hires young people to ensure the continuation of the company. I like health technology assessment work a lot and I hope that the work continues to exist in this society as it is extremely important.” (Sini, Company C)

Sini's decision to become a socially oriented entrepreneur, was clearly based on her value system. Her interview gives the impression of the great enjoyment that she gets from the work she does and how highly she appreciates the health technology assessment work. Sini is driven by her own motivations but also in a broader scale. When she says that she wants to ensure that HTA work continues to exist in this society, that can be interpreted as collective motivation. As Leontiev explained, human

motives cannot be explained by simply examining individuals (Leontiev 1978 via Miettinen 2005). Sini is clearly concerned about the community and society and she wants to make sure that the important work that she does and believes in, does not disappear from the society. That is an unselfish motivation for the entrepreneurship.

According to Sastre-Castillo et al. (2015), deep changes and transformations in the society contribute to the formation of social enterprises. This was a contributing factor to Sini in her social entrepreneurial career. Sini argued that HTA work was slowly decreasing in the society, which in turn made her want to make sure that HTA work continues to exist in Finland as she holds it in high regard.

Tommi's company, Company D, was a social enterprise from the beginning. Right after starting the company, the company managed to acquire the mark for social enterprises. Tommi decided to become a social entrepreneur for a couple of reasons. Tommi felt that the opportunity was there at the time and he was afraid that if he got a corporate job, he would get stuck there. As mentioned previously, Tommi did not think that traditional companies shared the value system with him and that their goals were different. He primarily wanted to help people and making a profit was secondary to him.

“I wanted to do something that I could be proud of and something that is meaningful and reflects my own values.” (Tommi, Company D)

When Tommi was starting Company D, he looked into different forms of businesses and concluded that social enterprises were the only form of business that he could relate to and that could help him to operate the business the way he wanted to. Even though Tommi thought that the mark for social enterprises was still in its infancy, he saw that it was a good opportunity to show that Company D was indeed a social enterprise and that their operations are based on certain principles that come with social entrepreneurship. It was natural that the company would apply for the mark.

Tommi became social entrepreneur because of his values. Now he claims that being a social entrepreneur just simply makes sense as it is a clever business model. According to Tommi, social enterprises takes into account all stakeholders and not just the

economic side of things. He does not believe that companies with a top priority of making money can be competitive in the future. What attracted Tommi in SE, was that you need to care about social and ecological factors in order to succeed and create social value while being a successful company.

Company E got its Finnish Social Enterprise Mark just six months ago even though the company was founded in 2014. The company operated as a traditional company for a few years. Before the mark for social enterprise, they were awarded a certification of European Social Entrepreneurship Fund. They were the second company in Europe to get the certification.

When they started to grow the company, they run into the Association of Finnish Work because according to Simo, they were asked multiple times if they had the Finnish Social Enterprise Mark. After a while, they thought that they should get the mark to represent their social orientation. Company E is also a member of Arvo association. Simo argues that collaboration with these associations increases the company's credibility. He likes to promote their inclusion to these associations and by doing that, customers and other stakeholders get a better picture of the nature of their operations. If he would focus on the fact that they are an investment company, it would sound worse than saying that they are a social enterprise. Especially, when they are in contact with various municipalities and associations, it is good to point out the social dimension of the work they are doing.

The idea for a socially oriented business came from Simo's business partner who he met in 2014. The idea was to combine their value system with a business model. Simo feels that the work that an entrepreneur does must have a meaning and the meaning of his company is to prevent and solve social problems. He has never been motivated by just coming to work for the reason of getting paid.

“For the last 20 years, I have worked with environmental issues and only in recent years I have realized that people are part of the environment and we should do something to help them as well. That is why our company tries to help people who are in poor societal positions.” (Simo, Company E)

He has been interested in environmental issues as well as social problems for a long time. Simo tries to take into consideration all the societal consequences of his actions in his private life. SE was the tool to merge his own ideology with entrepreneurship. Previously he contributed to social causes through various organizations who took care of solving the social problems for him. Through SE, Simo could act as an entrepreneur to help the social causes personally.

While Companies A and D were born as social enterprises, Companies B, C and E operated as traditional companies in the beginning. The entrepreneurs from Companies B, C and E explain that they had goals of creating social value from the beginning but they were not officially social enterprises. It is hard to distinguish whether the companies were traditional companies with CSR policies or social enterprises without the Finnish Social Enterprise Mark. These two forms of creating social value can be divided by the fact that social enterprises are looking to create good as their primary goal. Traditional companies with CSR policies integrate environmental and social concerns voluntarily in to their operations but their primary goal is to succeed financially (Crowther & Aras 2008: 11–12). Based on that distinction, all the companies in the study were social enterprises from their initiation.

Many researches consider social ventures as a solution to the failures of markets and governments (Trivedi et al. 2011, Yujuico 2008). Many of the interviewees felt the same way. Tommi, Company D, describes how he sees social enterprises in the future in the following way.

“Initially it started from my own values and it is still about the value system, but nowadays I also think that social entrepreneurship is simply good business. You have to consider all stakeholders and not just think about the economics. I believe that if you just care about your profits, you cannot succeed in long term. You need to take into consideration social and ecological factors in order to be successful. That is what makes SE such a clever business model.”
(Tommi, Company D)

The entrepreneurial orientation can be influenced by factors such as self-enhancement, self-transcendence and conservation (Sastre-Castillo et al. 2015). According to the researchers, entrepreneurs who score highly in the values of self-transcend and conservation usually become socially oriented. Sastre-Castillo et al. 2015 also argue

that entrepreneurs who score highly in the value of self-enhancement often become traditionally oriented. This study did not measure these scores but based on the characterization of the scores in the values, it is possible to see if the characterization is comparable to the characteristics of the entrepreneurs who participated in this study.

When an entrepreneur scores highly in the value of self-transcend, he is concerned about other's daily well-being through interaction with individuals. He also values protecting, appreciating and understanding the well-being of people and nature. Based on the empirical data, every entrepreneur who participated in this study would score very highly in the value of self-transcendence. All of the participants showed a great passion for creating social value and good for other people and nature as well.

A high score in the value of self-enhancement would mean that an entrepreneur has ambition and desire for personal success. The entrepreneur would also want to have power and control over people. When we look at the empirical data, some of the interviewed entrepreneurs expressed ambition and desire to be a successful entrepreneur. However, this expression to become successful was more of a goal to succeed as a company and to create more social value. None of them however displayed any desire to control people and have power over them. They actually wanted the opposite to happen, a situation where the bosses and employees would stand as equals. Self-enhancement is linked with traditional orientation and it seems that it clearly does not link to social orientation.

When an entrepreneur has a high score in the value of conservation, he wants to search for harmony with people's opinions and social stability in relation with oneself and others. As entrepreneurs from Companies B and C explained, they want to discuss important things with employees and make the decisions together. Company A's entrepreneur, Jaakko said that they want to empower their employees and offer them good working conditions. All the interviewees indicated desire to seek harmony with their employees and therefore, they would score highly in the value of conservation.

Some scholars (Van Ryzin et al. 2009, Cukier et al. 2011) also argue that gender can influence the orientation of an entrepreneur, even though Sastre-Castillo et al. (2015) examined this claim in their study and they concluded that the influence is not

statistically significant. Whether the interviewee was a female or male, did not lead to any conclusions of different motivations between the two genders. As Sastre-Castillo et al. (2015) concluded, the differences between female and male motivations for social entrepreneurship are insignificant.

According to Sastre-Castillo et al. (2015), there are two streams reflecting different perspectives of SE. The concept of social value creation is emphasized in the idealistic stream. Social entrepreneurs are attributed with the priority objective of creating social good of any kind, by using risk, innovation and the creation and diffusion of social values (Pedro & McClean 2006). That way, they are trying to bring social well-being to the community, which is their ultimate goal. The entrepreneurs who participated in this study certainly expressed their eagerness to contribute to the social value creation in their communities. All the entrepreneurs highlighted that goal as their primary goal and one of the reasons why they became social entrepreneurs in the first place.

5.3 Impact of being a social enterprise

Being a social enterprise comes with some possibilities, limitations and characteristics that are present in everyday business. Company E's entrepreneur, Simo explains that being a social enterprise limits them in theory. They could not go into certain business sectors i.e. selling guns, even if they wanted to. However, that is only hypothetical because they would not want to do that kind of business. Social entrepreneurs possess certain values that guide their actions and the most important guideline is that the business must create social value. Everything that contradicts that prerequisite is out of reach for social enterprises. That is not a clear limitation, because at least the social entrepreneurs who participated in this study were not willing to bend value system to gain more business opportunities.

SE seems to bring a certain focus to business operations. When asked how being a social enterprise shows in Company E's everyday business, Simo answers in the following manner.

“We do not have a plan b. Everything we do is focused on solving social problems.” (Simo, Company E)

Simo also mentions in the interview that they always define the measurements of how the social impact is tracked before the investments are executed. Therefore, Company E can reliably document the impact that their operations have in solving social problems. This is contradictory to what Sastre-Castillo et al. (2015) argue in their study. As seen in Table 2 in page 23 of this paper, the researchers explain that social enterprises have difficulties to measure the social impact of their work and that they are unable to use the common profitability indicators. Apparently, this does not affect Company E, which operates as an investing company in contrast to majority of social enterprises.

It would be a controversial claim that being a social enterprise and having the Finnish Social Enterprise Mark or being a member of Arvo association would bring marketing or business advantage at the time. According to all the interviewees, SE is still relatively unknown in Finland. Company D's founder, Tommi says that they still need to explain what SE even is in some places where they would assume that SE is familiar.

The entrepreneurs from Companies A and B argue that being a social enterprise does not help give them any advantage in public biddings and the entrepreneur from Company C was not sure about it because they had not received any feedback on it. Social enterprise is not a form of business that is regulated or specified in law. These enterprises are not eligible for tax cuts or governmental subsidies. Some of the interviewees believe that this situation should change. By having governmental legislation on the subject, SE could be promoted and enforced more effectively, Simo from Company E argues.

A problem that relates to SE and that came across in the interviews, was that social enterprises can have a hard time getting investments. According to Company D's founder, Tommi, investors often see social enterprises as aversive investment objects, because it is hard to sell the idea of creating social value in expense of generating revenue. Even considering public funding agencies, it can be hard to get funding for social enterprises because funding agencies also care about short term profits, Tommi claims. Vilma from Company B, gave an example of the problems that social enterprises face when they try to get funding. In this case, the company was applying

to a development project with two other companies. Vilma argues that there should be more opportunities for socially oriented businesses to get funding.

“We ran into a problem that our development project was too broad in its goals. We should have focused the project directly to our own business operations, services and revenue stream, but instead we had a too wide focus. Ultimately, we decided not to apply for the funding and continued to push forward on our own.” (Vilma, Company B)

Care for employees and other stakeholders of the companies was something that often came up in the interviews. All the entrepreneurs mentioned and explained that they want to give their employees fair and inspiring working conditions as well as provide opportunities for the employees to get their voices heard. Company A offers every employee the chance to become a partner. Entrepreneurs from Companies B and C mentioned that they discuss the decision to apply for the mark for social enterprises with their employees openly, because it has an effect to them as well. Other decisions and company related factors are openly discussed also. Interviewees also mentioned that employees in social enterprises are easy to motivate to work for a good cause and they seem to be well committed to the companies as well. However, as Vilma from Company B points out, sometimes employees might be challenging to recruit because they might not share the same values with the company. Yet, that can occur in recruitments for any type of business.

Social entrepreneurs can be more dependent on certain stakeholders than traditional companies. Company A i.e. is dependent on their city, because the company was established for offering services for the city. Company B's entrepreneur, Vilma, argue that social entrepreneurs are often dependent on and affected by government legislations, because they often operate in fields of businesses that are heavily regulated. Social enterprises seem to embrace collaboration more often than not. Simo, Company E, says that they are thrilled to be members in Arvo association and the Association of Finnish Work. They are able to share experiences and collaborate with other companies from different business sectors, which is valuable to the company, Simo argues.

6 CONCLUSIONS

In this chapter, the key results are introduced and they are followed by an explanation of the contributions of the study. Assessment of the quality of the study and suggestions for future research are displayed later in the chapter as well.

6.1 Key results

The purpose of this study was to find out why certain entrepreneurs become social entrepreneurs instead of traditional entrepreneurs. There was a lack of current research papers on entrepreneurial motivations regarding SE. Prior studies do not provide a clear answer to why an entrepreneur becomes socially oriented and therefore, this study is aimed at fulfilling the gap in knowledge.

Theoretical framework of this study consisted of prior studies in the field of SE and entrepreneurial motivations. This study was not designed to define SE even though there are many varying definitions for the phenomenon and no consensus has been reached among scholars in the field. The definition selected for this study was that SE is a mission to create social value by providing solutions to social problems (Dacin T, Dacin P & Tracey 2011). The definition does not rule out entrepreneurs that are not eligible for other narrower definitions, which gave this study a wider focus on social entrepreneurs.

This study aimed at answering the main research question:

What motivates entrepreneurs to become social entrepreneurs?

The main research question was supported by two sub-questions:

SQ1: Why become a social entrepreneur instead of traditional entrepreneur?

SQ2: What motivates social entrepreneurs in everyday business?

Based on the empirical findings, it seems that the main reason why entrepreneurs choose to become social entrepreneurs is their value system. The interviewees expressed their willingness to create social value, help people who are less fortunate, solve social problems in the society, and operate their businesses as morally and ethically as possible. The interviewees want to be open and transparent in their business operations and treat their employees with respect and care for their well-being. They also want to feel proud of the work they are doing, so it is important for them to have a company that represents their own values. All the interviewees mentioned the importance of having good values in a company and they especially explained that they are not willing to do business in any other way anymore. Therefore, based on the empirical findings, having a value system that considers well-being of others and nature in a high regard was the main reason for social orientation among the entrepreneurs interviewed for this study.

The entrepreneurs are creating social value in the forms of their services. Their services help groups such as elderly people, young people who are in risk of social exclusion, people who need mental health services, and immigrants. The interviews showed that the entrepreneurs are more than happy to compromise on their own compensation in terms of money to help people who are in need of the help. This reflects that the entrepreneurs who participated in the study, would have a high score in the value of self-transcend. Having a high score in that value means that a person has a great concern of other's daily well-being through interaction with individuals and that he also wants to protect, appreciate and understand the well-being of nature and people. This personality trait partially explains the social orientation in entrepreneurship for the entrepreneurs in the study. Another value that is meaningful to the entrepreneurial orientation is the value of conservation.

Having a high score in the value of conservation means that a person wants to search for harmony with people's opinions and social stability in relation with oneself and others. All the entrepreneurs expressed willingness to seek harmony with their partners and employees. The well-being of their employees was a big theme that occurred in the interviews, and the entrepreneurs were determined to have a good relationship between them and their employees. Employees' opinions are usually very well heard and considered in social enterprises according to entrepreneurs from Companies A, B

and C. All in all, every entrepreneur addressed the importance of listening to their employees. Therefore, they would score highly in the value of conservation.

Sastre-Castillo et al. (2015) argue that the social orientation of entrepreneurs can be explained by how they would score in the values of self-transcend, self-enhancement and conservation. High scores in the values of self-transcend and conservation heavily suggest social orientation whereas high score in the value self-enhancement would indicate traditional orientation. Even though, this study did not focus on capturing scores for these values, the empirical data suggests that the argument is true based on the characteristics of high and low scores in the values. Indications for high scores in self-transcend and conservation were apparent, while indications for high score in self-enhancement were not present.

There were many other factors as well that contributed to the entrepreneurial social orientation. Company A's entrepreneur, Jaakko, said that it is exciting to try out a new business model and new way of thinking. SE was seen as a new and intriguing way of doing business among the entrepreneurs. The entrepreneurs are willing to take chances and risks by operating as social entrepreneurs while it is a new and relatively unknown form of business. They felt that SE suited their goals and ambitions as entrepreneurs.

Motivations for social entrepreneurship are interlinked with motivations for entrepreneurship in general. Few entrepreneurs mentioned that one of the reasons for starting a company, that could actually apply to any form of entrepreneurship, was freedom and independence. Freedom that comes along with entrepreneurship was a valid reason for entrepreneurship in general and for entrepreneurs from Companies A, C and E. They felt that by being an entrepreneur, they could make a larger impact on the things that they care about. In the context of this study, that meant that they are able to create social value in a way they want to.

The reason why the entrepreneurs of this study could not become traditional entrepreneurs is that being a traditional entrepreneur does not align with their beliefs and values. The entrepreneurs want to practice ethical and transparent business and they want to solve social problems in the society. Therefore, the social orientation comes naturally to them.

The results of the study show that in everyday business, social entrepreneurs can have some factors that do not motivate them. According to the empirical findings, getting funding for a social enterprise can prove to be a difficult task. Traditional companies seem to have an edge in raising money for business operations as they are more focused on the financial success of the company.

6.2 Contribution of the study

This paper has several major contributions. The most important contribution is adding new empirical findings to the existing knowledge of social entrepreneurs, social enterprises and entrepreneurial motivations. The study tries to answer the research question: what motivates entrepreneurs to become social entrepreneurs? As the author of this research paper, I would argue that the question has been answered in a satisfactory manner. The theoretical framework was constructed in a way that it covers all the important factors of the topic. The theory was used in the analysis of the empirical data and it helped in understanding the data and in forming the conclusions of study. The conclusions are useful to the field of research, because they contain knowledge of how and why certain entrepreneurs choose social orientation in entrepreneurship. There has been a lack of prior studies on how and why entrepreneurs end up choosing social orientation. This study has contributed to that aspect of research on SE and entrepreneurial motivations.

The study also sheds light on what it is like being a social entrepreneur in general and more specifically, in Finland. The paper depicts the status of social enterprises and SE in Finland. Contributions of the research include also the creation of theoretical framework for entrepreneurial motivation and SE research as well as adding to the discussion of SE.

6.3 Assessment of quality of the study

One of the challenges of being a qualitative researcher is that you need to assure the reader of the quality and trustworthiness of your research paper. By applying specific evaluation criteria, you can enhance the transparency of the research as well as point out limitations and strengths of the research process. The researcher needs to keep in

mind that the evaluation criteria must be applicable for the nature of the study. Therefore, the methodology, research aims and assumptions should be taken into consideration before choosing how to evaluate the research process. Qualitative research often requires different criteria than quantitative research. Because of the existence of numerous research approaches to qualitative studies, a unified evaluation criteria cannot be shared among the approaches. Each study should have a tailored assessment of validity. (Eriksson & Kovalainen 2008: 290.)

This paper adopts two evaluation criteria that are commonly used in social sciences and business research. The criteria are reliability and validity. Reliability guides the researcher on to which extent a procedure, measure or instrument can hold a same result whenever the study is conducted again. This means that reliability is embedded in consistency of the research results among replicated studies. The more reliable a study is when it is more easily replicated. Validity of a research relates to the extent to which conclusions drawn from the research are able to give an accurate depiction of the studied phenomenon. In order for a researcher to claim that the conclusions are valid, the conclusions must be true and certain (Schwandt 2001 via Eriksson & Kovalainen 2008:). In this context, conclusions are true and certain if the research results depict the phenomenon that the study refers to and the results are supported by evidence.

Scholars argue about using the evaluation criteria validity and reliability in qualitative research. Validity in qualitative research often means that the aim is to offer a guarantee that the research paper is correct. Researchers can do this through analytic induction and reflexivity. Common procedures that can provide the qualitative research validity are analytic induction, triangulation and member check. This paper uses triangulation for establishing validity. (Eriksson & Kovalainen 2008: 292–294.)

Triangulation is basically a process that includes many perspectives to clarify and refine the empirical findings of the study. There are multiple forms for triangulation and they can be utilized as a group or independent procedures. In this paper, validity is achieved through triangulation of theories. That procedure uses more than theory in explaining, interpreting and understanding the empirical data. The idea behind triangulation is that reality can be approached from various points of view. Taking

different angles into consideration by using multiple theories, overall understanding of the research and the studied phenomenon increases. Theoretical framework of this paper was structured in a way that takes into account various aspects and theories that handles the studied phenomenon in different ways.

In qualitative research, the number of interviews or cases are assessed differently than in quantitative research. According to Eriksson and Kovalainen (2008: 290), it is not the number that counts but it is the materials obtained from the interviews and the quality of the interviews that is significant. Also, the logic behind the data collection is important.

In this paper, the data was collected from five semi-structured interviews. All of the interviews contained similar characteristics and content on the research questions and therefore, there was no need for additional empirical data to be collected for this paper. Entrepreneurs who participated in the study were operating in the two lines of businesses. Based on the results, a line of business is not a decisive factor regarding the motivations of the entrepreneurs. Interviewees were selected on the basis that they had been given the Finnish Social Enterprise Mark, which indicated that they are social enterprises. According to estimates by Lilja and Mankki (2010), there were approximately 5 000 social enterprises in Finland at the time of their research in 2010, but it would have been hard to distinguish them without the Finnish Social Enterprise Mark. The Association of Finnish Work, the organization that awards the marks, provides transparent criteria of operating as a social enterprise, which offers an inside look to how the interviewed companies essentially operate. That creates clarity and transparency to the logic of how the interviewees were chosen.

Every study aims to examine the studied phenomenon as well as possible. Nonetheless, they all have their limitations and this study is not an exception. Using a larger collection of data, the entrepreneurs could have revealed more motivations for their social orientation than this research was able to discover. Also, this paper tries to look at SE from a universal perspective rather than location based perspective but the research data is collected from Finnish social entrepreneurs. Therefore, the results of the study may not be applicable in other countries. Motivations for social entrepreneurship could vary depending on the country where the data is collected.

While using the Association of Finnish Work's list of social entrepreneurs was beneficial to the study, it should be noted that there are many other organizations in Finland that could be considered as social enterprises. As it stands, the results of the study reflect the ideas and feelings of entrepreneurs who have acquired Finnish Social Enterprise Mark. The companies represent partially the Association of Finnish Work's idea of a social enterprise and it should be taken into account that social entrepreneurs who do not have the association's mark, could have different motivations and opinions. However, all the interviewees in this study had become social entrepreneurs for their own reasons and when they acquired the mark, none of them had to alter their business operations to suit the requirements laid by the association.

6.4 Suggestions for future research

In my opinion, there is a need for new research on entrepreneurship in general in Finland. There is a gap in knowledge of why Finnish people want to become entrepreneurs and is the economic and cultural climate against or in favor entrepreneurship. This paper contributed to the knowledge of why some entrepreneurs are socially oriented and that is topic to continue research. I would like to see similar studies conducted in Finland as De Pillis and Reardon (2007) did in the US and the Republic of Ireland. Their study was conducted as a cross cultural examination on the influence of personality traits and persuasive messages on entrepreneurial intention. They studied undergraduates in the US and Ireland, and they concluded that there are differences in perceptions of entrepreneurship in these two countries. Similar comparison could be done with Finland and some other country.

As mentioned in this research paper, there are many definitions for SE but a universal definition is still hard to construct. Contributing to the creation of universal definition for SE would be a great research topic. Another great topic for a research is what kind of an affect SE has for the economy. It would be beneficial to the field of research to see more studies that discuss the impact of creating solutions for social problems in a form of business.

Two out of five companies that participated in the study got initiated from innovation competitions that universities had included in their courses. It would be great to learn

more about how the competitions work and what kind of an impact they have on the students and their future careers. Based on the data in this study, it seems that innovation competitions are a great place to get new business ideas and get validation to the ideas that the students have come up with. More research about the topic would be in order.

As the author of this research paper, I would argue that after looking into the phenomenon of SE, some social enterprises could benefit from the adaptation of some processes and practices used in traditional businesses. In order to maximize the creation of social value, social enterprises should act ambitiously and with the intent of growing their businesses. It seems that being a social enterprise would correlate slightly with lack of drive and determination to gain success in business terms. This assumption can be justified by the nature of the responses to certain interviews, and by the low revenue and employee figures of the companies. By increasing their ambition, I would argue that social enterprises would become more successful and they would be able to create more social value. They would also be more attractive to employees. More information is needed to confirm or deny the assumption that arose from the making of this research paper and therefore, I suggest that it would be studied in the future.

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Appendix 1**OUTLINE FOR THE INTERVIEWS**

Tell me about your own background. What is your education and entrepreneurial history?

Tell me about your company. What do you do? How many employees do you have? What are the core services and products?

When and why did you start the company? What motivated you to start your company?

Why is your company a social enterprise and not a traditional company?

Was it an easy decision to become a social entrepreneur?

Why did you become a social entrepreneur?

What motivates you as a social entrepreneur?

How does being a social enterprise show in everyday business?

Does it show in your relationship with your stakeholders such as customers, other companies or governmental agencies?

How does it affect the business internally?

You have the Finnish Social Enterprise Mark. How does it affect your business?

What kind of benefits / disadvantages there are at being a social enterprise in Finland?

Are you a member of ARVO Ry? If you are, can you tell me your experiences about the organization and its operations?

How well established social entrepreneurship is as a concept in Finland?

What do you think about the definition of social entrepreneurship in Finland?

Should social enterprises be legally separated from other company forms?

Additional thoughts about social entrepreneurship or entrepreneurship in general?