



How Do Social Enterprises Deliver Tailored Support to Minority Entrepreneurs?

Jarmila Duháček Šebestová and Petra Krejčí

Introduction

In Europe, social entrepreneurship as a phenomenon is primarily characterised by the tradition of third sector activities (Houtbeckers 2016). Social entrepreneurship is sometimes referred to as a hybrid combination of the non-profit sector and business activity. Battilana and Lee (2014) highlighted the differences between traditional entrepreneurs, social entrepreneurs and not-for-profit organisations, where traditional not-for-profit organisations are usually funded by external sources (state or donors), do not carry a business risk and typically do not procure financial resources for their activities. Not-for-profit organisations are primarily focused on social problem-solving, not on generating financial gain. Individual social enterprises can have different socially beneficial goals and each country may take a slightly different approach to supporting social enterprises. Some studies have shown that the best results occur when participants get experience in a ‘recommended’ environment where minority groups can learn quickly and from each other. However, researchers such as Bates (2003) stressed that while some social

J. Duháček Šebestová (✉) · P. Krejčí
Silesian University in Opava, Opava, Czech Republic
e-mail: sebestova@opf.slu.cz

P. Krejčí
e-mail: krejci@opf.slu.cz

enterprises seek to employ people from minority groups, they may differ in the percentage of employees retained from the target group due to the nature of their goals. For example, environmental businesses must achieve significant environmental benefits compared to social enterprises targeted at social integration who must only undertake their business in an environmentally friendly manner (TESSEA 2019). Some of these social enterprises encourage their target participants to start-up their own business (Tracey and Jarvis 2007; Bacq and Janssen 2011). The main goal of this chapter is to present and discuss alternative approaches to social enterprise based on mini-cases from the Czech Republic. These examples illustrate that social enterprises could tailor support for minority enterprises, where social enterprises are also treated as forms of minority enterprises. This idea supports and extends the study of Greene and Butler (1996) where minorities assume the behaviour of the 'majority' in a natural way.

Theoretical Background

Social entrepreneurship is deemed to be an economic activity if it has set social objectives and it can be considered at both macro and micro levels. At the micro-level, entrepreneurial activity is focused on employing disadvantaged people in the labour market. The macro-level can be viewed as a strategy of the state to target policies and budgets towards specific cohorts of people (Gojová 2014). Actors in the social entrepreneurship market identify social, environmental and economic goals that can provide social benefits and address complex social problems (Leadbeater 2007). However, there is no agreed understanding of the term and Table 1 presents a variety of different definitions of social enterprise to illustrate the point.

The importance of social enterprises for minority groups lies in the fact that they offer people from these communities a job that reflects their inability to secure employment in the open labour market. Vaceková (2015) distinguished four types of social enterprises which are based on the EMES international research network definition of social enterprise and these types could be closely connected with minority groups when integrating them into major society:

- Disadvantaged Work Integration Social Enterprise (WISE): This type places great emphasis on employing disadvantaged groups of people whose long-term job opportunities are very poor. Such social enterprises are mostly supported by public funds.

Table 1 A different definition of social entrepreneurship

Author, year	Main scope
Smallbone et al. (2001)	Social enterprises offer a range of contributions to local economic development including providing goods and services which the market or public sector is unwilling or unable to provide, developing skills, creating employment (focusing particularly on the needs of socially excluded people), creating and managing workspace, providing low-cost personal loans and enhancing civic involvement through the number of volunteers involved. The wider social contribution can also include encouraging environmentally friendly practices and offering work and educational experience to young people
Mair and Marti (2006)	The definition of social entrepreneurship usually relates to behaviour or processes and the definitions of social entrepreneurship refer to the tangible outcome of social entrepreneurship
Gidron and Hasenfeld (2012)	Social entrepreneurship is an activity aimed at solving social goals through market transactions, which corresponds to the functioning of private organisations
Choi and Majumdar (2014)	Social entrepreneurship is a multidimensional concept composed of sub-concepts such as market orientation, social value creation, social entrepreneurship and social entrepreneurship, and sub-concepts such as entrepreneurial innovation, business ideas, entrepreneurial compassion and entrepreneurial skills
Huncovská cited in Wildmannová (2016)	Social entrepreneurship is based on a combination of the public and private sector in the provision of public services and also supports the employment policy in the public sector

(continued)

Table 1 (continued)

Author, year	Main scope
Wildmannová (2017)	Social enterprises are essential in achieving commercial success and, on the other hand, are expected to meet social goals with democratic participation, while maintaining their stability and respecting the boundaries of business, so that they are able to survive in the market

- Self-funded WISE: This type creates long-term self-financed jobs that are initially funded by the public sector in the start-up phase. The overall goal of the social enterprise is to be self-financing.
- Transition WISE: This type of social enterprise occurs when employment or training is offered to a minority group to increase their skills in order to help them find a job in the open labour market.
- Disabled WISE: This type aims to support resocialisation, which is adapted to people who suffer mental or severe physical disabilities. The goal of these companies is to involve employees in structured activities and to help them establish social contacts.

These different types of social enterprises offer jobs which can either be permanent or temporary. In social enterprises that mainly have permanent jobs for employees from minority groups, the process of their career development within the company should be clearly established and they should be involved in the management or decision-making and development of the social enterprise. Figure 1 presents a mapping of how people might develop a career plan through working with a social enterprise.

Temporary jobs are designed to provide enough work experience to help people be successful in the open labour market or start their own business. While permanent jobs may focus on target groups such as elderly or disabled people, temporary jobs are more likely to focus on groups such as young or long-term unemployed people to help motivate them to change their career. Temporary jobs should also lead to the development of careers in the open labour market, not only within the social enterprise.

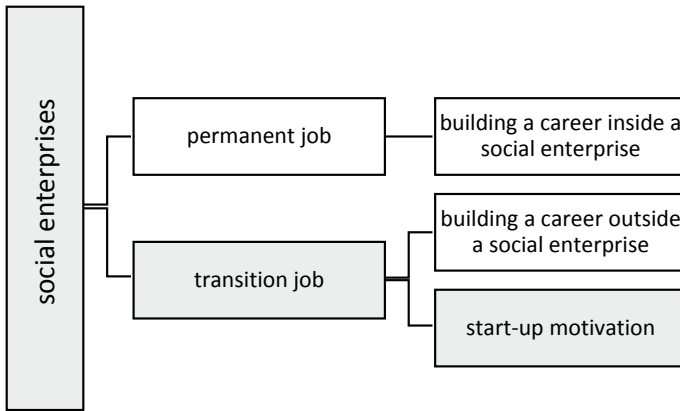


Fig. 1 Career growth for minority groups

Minority Entrepreneurship: Problems in Start-up and Support

When starting a business or joining the job market, people from minority and disadvantaged communities face a variety of barriers. These barriers have been defined based on OECD surveys in the countries of the European Union (2017). The barriers to business creation for minority groups include access to finance from local banks, regulatory complexity, fear of debt, lack of business support, loss of security, access to customers, hiring staff and lack of business start-up finance (Levie 2011). Many of these barriers are faced by entrepreneurs in general, but reliance on labour markets and perceived bias in the finance sector are more specific to minority entrepreneurs (Carter et al. 2015). It is interesting to note that fear of failure is highlighted as a key barrier to nascent entrepreneurs in minority communities (Gonul 2018; Nová 2018) and this is exasperated by issues such as:

- **Education and Training:** The most successful enterprises operate with a combination of knowledge and education. In many cases, minority groups are poorly represented in these fields. Many do not have the opportunity to achieve high levels of education due to sociocultural or other handicaps. In the specific case of immigrant minority groups, language barriers and the change of environment make their life very difficult when trying to find jobs or to start a business (Gonul 2018).
- **Lack of Personal Qualifications:** The lack of appropriate education is connected with practical issues such as not acquiring the personal skills and abilities needed to manage a business. It is not only a problem for minority

groups, it is a common problem for people who work for employers without any higher level of responsibility or any opportunity for personal development.

- **Lack of Access to Resources:** Minority entrepreneurs may experience particular problems in the area of finance when entering into business. Banks are often not interested in offering them small loans and so minority enterprises frequently have to use their savings for financial support or get loans from family and friends. Another possible way to get finance for starting a business is to apply for business grants or financial contributions for social entrepreneurship. Financing is also connected with networking and with the possibility of acquiring credit from business partners outside their minority community.
- **Poor business knowledge:** A big problem for minority entrepreneurs when starting a business is represented by their lack of business knowledge and experience. Weaknesses can occur in the form of a poor business plan, investment return calculation, financial analysis, costing, product pricing, but also in terms of weak communication skills, poor presentation skills and a lack of self-confidence. However, minority entrepreneurs without the necessary experience should not give up their dream of running a business; there is the opportunity to attend training courses, frequently organised by social enterprises, where they can acquire entrepreneurial skills, increase qualifications, develop a business plan or talk to specialists (lawyers, accountants, tax advisers).
- **Sociocultural Challenges:** Minority entrepreneurs are disadvantaged by stereotyping. They are hindered by socio-economic stratification and negative views regarding minority groups, particularly about their ability to complete a task or to be able to provide the service required. Such stereotypes are based on racial, ethnic, religious or other social assumptions and can create discriminatory conditions for these groups.

Social enterprises which tailor their support for minority groups must take these challenges into account to be successful in providing such support.

Social enterprises benefit from knowledge of the social, economic and legal structures of the major society, plus they can help people overcome language difficulties, lack of recognition of credentials and minority discrimination since their primary purpose is frequently to support minority communities with their entrepreneurial activities (Kim and Hurh 1985; Kirkwood 2009; Alaslani and Collins 2017). Some commentators suggest that social enterprises could be an alternative source of employment through which people

from minority communities could first get a job which acts as a stepping-stone into entrepreneurship later. When opportunities for start-ups are very limited, social enterprises also represent a safe supporting network for disadvantaged (threatened) persons on the labour market who are initiating and subsequently running their own business (especially women, people with low qualification, older people, young people, ethnic or other minorities), plus social enterprises can reduce threats coming from the social instability and cohesion in society (Pelucha et al. 2017; OECD 2016).

Social Enterprise Support Networks for Minority Groups

In minority entrepreneurship, a community network can play a significant role in affecting the local business environment in a positive way. Such a network may include social enterprises, non-for-profit organisations and business associations such as chambers of commerce. The network may offer, in cooperation with local authorities and incubators, customised programmes for the minority communities and provide advanced training for more established minority enterprises (Adams and Hess 2010; Neumeier 2012). Incubators and accelerators can help with resources and provide the opportunity to build business proficiencies for minority entrepreneurs. These organisations can help to increase the number of minority start-ups and provide incubation space along with professional consultation. They also offer a network of business partners as they introduce access to social networks and business assistance. They also help by providing workshops, seminars, personal mentoring and training for the minority entrepreneurs, equipping them with the necessary skills and competencies. Local organisations can also invite successful minority entrepreneurs into their programmes to provide role models for potential minority entrepreneurs. It helps individuals to see such examples as they may benefit from understanding the experiences and challenges faced by the role models. Social capital and community support are frequently used as a mechanism to overcome challenges for minority entrepreneurs. Social capital community networks are mostly used within ethnic minorities, but minority communities of all types need to develop ways to increase social capital by building new social networks and gaining access to existing ones. Higher education institutions are natural environments to support business learning and these mostly focus on the youngest generations of minority entrepreneurs. They offer courses, co-working spaces and competitions to present business ideas. Several foundations also support the growth of

Table 2 A summary of social enterprise support for minority entrepreneurs

	Social Enterprises	Other
Minority Enterprises	Cross-sector collaboration resource sharing civic involvement improving quality of life empowerment of disadvantaged groups incubation of start-ups	Education, Mentoring Project advice
Other	cooperation in CSR projects public-private partnerships	Competitive environment Networking clustering

minority entrepreneurship, with the Kauffman Foundation (USA) probably the best-known foundation specialising in entrepreneurship programmes. Overall, the different types of programmes are summarised in Table 2. Social enterprises offering tailored support for minority entrepreneurs is an issue closely connected with policymakers, regional and local authorities, non-governmental organisations, universities and practitioners. The main focus is on creating motivation for start-ups led by entrepreneurs from minority communities and a supportive network may consist of: (1) non-profit organisations; (2) incubators and accelerators; (3) community networks; and (4) educational organisations.

The inability to access the mainstream job market and the dissatisfaction of minority groups with employment situations also drive people towards entrepreneurship. When an entrepreneurial decision is influenced by the business environment, all network members could motivate minority entrepreneurs to search for opportunities, coordinating business resources, plus supervising the labour process and business conduct for future use. An effective and responsible allocation of all resources is the core of entrepreneurial activity (Suklev and Rexhepi 2013). Minority entrepreneurs in the care of a social business network are also motivated to follow government rules and regulations and to take part in local community development. Social enterprises also support and encourage minority entrepreneurs to develop the community from which they originate (Carter et al. 2015). The results of previous studies (e.g. Rahman et al. 2018) have shown that business opportunities could open for minority entrepreneurs (especially ethnic) when they are able to deal with forces from the regulatory macro environment. This situation opens an arena for social enterprises to introduce minorities to entrepreneurship with appropriate training, plus address wider social issues like social adaption and integration of minorities (Jones and Ram 2012). Unfortunately, mainstream support services are not so appropriate for the

needs of minority businesses in a local economy, which explains why social enterprises play such a significant role regarding disadvantaged communities (Iskander and Lowe 2010; Jones et al. 2014; Sonfield 2014).

Research Methodology

Business advisors play an important role in supporting minority entrepreneurs. Business consultant services mostly take the form of personal consultations where methods such as coaching and mentoring are used. The Community-Based Business Support Model (CBBS) is commonly used to provide innovative support and counselling practices for groups at risk of social exclusion, such as ethnic minorities, women, people with disabilities or other people belonging to disadvantaged or minority communities. The model considers the share of non-governmental not-for-profit organisations involved in activities aimed at meeting the needs of excluded communities. According to this model, community NGOs provide high-quality consulting and assistance services for the needs of clients who run their own businesses or want to become self-employed. They also stimulate the growth and effort of businesses. The core of the model is the ‘Community-Based Business Adviser’ (CBBA). CBBAs are members of the communities in question and represent the link between socially vulnerable communities and professional services of professional business consultants. Community business consultants can effectively deliver services through knowledge of the community, their language, culture and way of thinking (Wolf and Troxler 2016). Based on this model, several social enterprises were examined to profile their specific areas of minority enterprise support.

1. *Data description*

It is difficult to ascertain the exact number of social enterprises in the Czech Republic, but Krejčí and Šebestová (2018) estimated there are more than 200 social enterprises in the country. These social enterprises can be classified by industry, their main focus, business location or target group. The number of social enterprises in the Czech Republic has increased quite significantly between 2010 and 2018 (2010–68, 2018–211 entities) and according to the 2019 directory of social enterprises (CSP 2019), there were 233 social enterprises in the Czech Republic (see Fig. 2). However, the Czech Social Entrepreneurship portal is only a voluntary register. Due to its voluntary

A work integration social enterprise (WISE) must meet several requirements: (1) they support social inclusion (i.e. at least 40 per cent of all employees are from target groups); (2) they support the inclusion of workers in management; (3) the enterprise must be locally or regionally and environmentally oriented; and (4) at least 51 per cent of its profit must be reinvested in the social enterprise and part of the possible profit must be used for the development or operation of services aimed at its beneficiary target group (Dohnalová et al. 2015; Wronka 2013). However, due to their specific focus, they cannot reach the full portfolio of innovation mentioned in the literature and so they have difficulty finding the motivation for social innovation normally associated with social products or social services.

To acquire relevant information in the field of social enterprises and their activity for minority enterprises, a combination of primary and secondary research was needed (Mulgan 2006; Tucker 2014). The research methodology employed had three phases. In the first phase, a literature review was undertaken and secondary data were collected and described with a basic qualitative description in the form of mini-case studies. As an output, a useful set of indicators were obtained for the second phase of the study. In the second phase an evaluation of innovative potential was made according to results from the literature review. In the third phase, deductive logic was utilised (Yin 1994) to create a study-proposition of a matrix of problems and then develop a theoretical framework (social innovation evaluation). According to the desk research on best practices and the active consultation with a social business cluster (SINEC), three main ways of support were found and they will be presented in nine examples of good practice:

- Co-working space and business programmes for minorities in social incubators (Hubs) supported by a municipality (cases: CzechStartups.org, Impact Hub, Transition Workplaces in Social Enterprises in the Moravian-Silesian Region, Business Gate Karvina),
- Intergenerational Business mentoring programmes in social enterprises (business cooperative case: Kašpar, Ergotep),
- Transition job positions in social enterprises (new regional project) to help minorities get experience and later to start-up (business centre case: Business and Employment Support Centre, Fundacja Laja, Petrklíčhelp).

Each of these cases was investigated in detail and a comprehensive profile of their activities was developed for analysis. The findings presented here are founded on the authors' interpretation of secondary sources and in-depth interviews with social enterprises managers/owners.

The primary research with the owners of integrating social enterprises (WISE) had to be carried out with at least a total sample of 9 respondents randomly selected in the Czech Republic. With a total number of 233 social enterprises in the Czech Republic officially registered on the TESSEA platform, the sample size was not representative of the general population (Cavana et al. 2001). For this reason, ‘examples of best practice’ were used to explain the possibilities of start-up support for minority entrepreneurs connected within social enterprises. The limitations of the study can be seen in the validation of results, where they describe the subjective opinion of each respondent. During the interviews, the managers/owners explored their main motivations for their social enterprise and expressed their view on supports for minority groups. This choice was appropriate for the chosen research problem which was to identify different behavioural models for minority support based on their socio-economic and sociocultural backgrounds (Clark and Drinkwater 2010; Alaslani and Collins 2017).

Examples of Good Practice

When analysing the case studies, the approach adopted by McDonough and McDonough (2014) and Zainal (2007) was used to ensure descriptive mini-case studies in a narrative form. The presented case studies are authentic and based on information about social enterprises and personal experiences with the described organisation. Basic information was ascertained in cooperation with customers of the companies and other information was acquired from the websites of the social enterprises.

Support Stream One: Co-Working Spaces and Business Programmes for Minorities

The following cases provide examples of good practice regarding supports for start-ups among minority communities.

1. *CzechStartups.org (SE1)*

CzechStartups.org was the first official online centre for start-ups in the Czech Republic. This centre was created as a partner project of CzechInvest, in co-operation with IBM Czech Republic, Czech ICT Alliance, Association of Small and Medium Enterprises and Tradesmen of the Czech Republic and

the Rockaway Capital. This centre aims to offer a comprehensive overview of the Czech start-up ecosystem, not just to start-up entrepreneurs, but also to start-up enthusiasts and the general public. On the website, one can find information about current government and private start-up programmes, small and medium-sized businesses, or information about support providers who can help start or accelerate business through mentoring, networking or by providing investment. One of the programmes is focused on student start-ups which are a significant part of minority enterprises (to support idea, develop network, access to financing). This activity could be associated with business preparation in general.

2. *Impact Hub (SE2)*

Impact Hub creates a community that shares co-working space. Impact Hub creates a good working environment for individuals, start-ups and small businesses. Impact Hub is part of a global network; it has eight Acceleration Programmes for smart ideas and several exciting events. In the Czech Republic, the network of Impact Hub is represented in three cities (Prague, Brno and Ostrava), where each representation offers regional and common national acceleration programmes. They also have a social impact hub programme.

3. *Transition Workplaces in Social Enterprises in the Moravian-Silesian Region (SE3)*

In January 2019, the Moravian-Silesian Pact began to implement the project 'Transition Workplaces in Social Enterprises in the Moravian-Silesian Region' (MSPAKT 2018). The project addressed the issue of employing the target group of people with disabilities in the labour market, focusing on intensive individual and group counselling, identifying and gradually removing barriers and allowing the target group to succeed in the labour market. On the one hand, social enterprises are involved in this project, offering transition jobs to the target group. On the other hand, not-for-profit organisations are also involved as they provide the necessary accompanying social services for people from the target group. Through work in the social enterprise, people from the target group gradually gain work experience, skills and intensively prepare for the transition to a free labour market. Using targeted psychosocial support, people from the target group (having completed the programme) have a much stronger possibility of getting a job

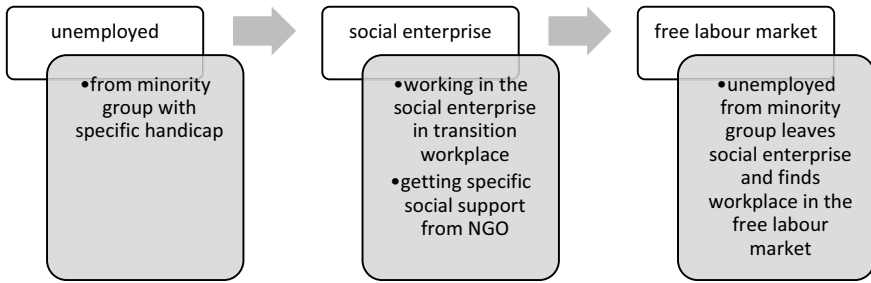


Fig. 3 Process of transition workplaces

with an employer in the open labour market. Figure 3 explains the process that normally occurs in such programmes.

4. *Business gate Karviná (SE4)*

This project is provided in co-operation with the city of Karvina and the School of Business Administration at the local university. There are three pillars to the programme: A—Academy to support young people in entrepreneurship skills developed through projects; B—Benefit from business counselling and start-up support for minority groups in the local labour market (young, aged 50+, women); C—Co-working space for all, mostly from the programme.

The presented best practices have demonstrated an ecosystem for minority entrepreneurship in the motivation phase when entrepreneurs need support before starting a business, which must be based on qualified advice that is necessary for the success of the minority business. They also provide support in the phase of business creation when mentoring and coaching is needed, and educational and training activities for minority groups are not publicly available (OECD 2016).

Support Stream Two: Intergenerational Business Mentoring Programmes in Social Enterprises

5. *Kašpar Centrum (SE5)*

Kašpar Centrum provides an alternative to consulting companies or recruitment agencies. They focus on employment of the 50+ age group. The social impact could be seen in social audit and part-time jobs support which is

accompanied by adequate counselling for social enterprises to be more effective in human resource management. The campaign ‘Make a Bag and Employ Somebody’ is an expression of support for those who want a new start which began with an intergenerational mentoring programme which is unique in the Czech Republic.

6. *Ergotep (SE6)*

Ergotep creates conditions for work and professional growth. It offers training courses in the Ergoeduka Training Centre and can help people to grow professionally and become experts. Young people with disabilities are motivated to enter the labour market and fulfil their dreams. It organises training for such people where they go through the operation of a social enterprise, plus it also offers training courses and workshops to highlight what social entrepreneurship entails and how people can apply themselves. Ergotep has started its innovative philosophy in its own social enterprise—Ergoprogress. It created and continues to develop this product of social entrepreneurship in other social enterprises. It offers education and counselling in the Social Entrepreneurship Advisory Centre in Prague and the Ergoeduka Training Centre.

This type of support continues the previous support stream with business creation, but their support continues to the phase of enterprise functioning when the educational and training activities are very important to stabilise a young company through advice, training and workshops, even after the initialisation of minority entrepreneurship has occurred.

Support Stream Three: Transition Job Positions in Social Enterprises to Help Minorities Gain Experience

These activities direct help to minority start-ups from the phase of enterprise functioning to the phase of financial support and then the phase of growth and consolidation through self-financing.

7. *Business and Employment Support Centre (SE7)*

This is a new NGO which focuses on women entrepreneurship. It currently offers shared-space and business counselling, plus it will offer a start-up programme on a trial basis in the future. Furthermore, it helps to

establish other social enterprises as is evidenced by their support of a woman who is being mentored to help her establish her social enterprise (Zero-waste). This social enterprise was founded by a member of a minority group and at the same time she wants to integrate people with disabilities in order to achieve environmental benefits in producing sustainable products to replace disposable plastics.¹

8. *Petrklíčhelp (SE8)*

Petrklíčhelp is an educational, innovative not-for-profit organisation operating in the market since 2005. The management of the organisation has twenty-years of experience in the field of international projects. They support young people in implementing their projects, mostly with a community impact. They offer them an active mentoring programme, generally in the form of non-formal education. This organisation helps minorities to be involved in mainstream society not only through projects, but also in volunteering activity.

9. *Fundacja Laja (SE9)*

Fundacja Laja (Laja Foundation) is a foundation based on educational activities and it predominantly supports creative activities. It promotes pro-social activities, volunteerism and education with Czech and Polish cooperation. They help to prevent social problems based on stereotypes and prejudices, plus they implement ecological projects. They work mostly with young people, encouraging them to be active and to start-up their activities.

The start-up ecosystem has grown significantly in the Czech Republic in recent years. In the Czech Republic, there are Czech and foreign organisations that help minority groups start businesses. Table 3 has been designed for this study to evaluate whether an enterprise: (1) fulfils the criteria of a social enterprise; (2) does not fulfil the criteria; or (3) there is no certainty as to whether or not the enterprise fulfils the criteria. This measurement is based on qualitative and subjective evaluation, where a tick (√) means that the enterprise fulfils the criteria, a cross (X) indicates that the enterprise does not fulfil the criteria and a hyphen (-) means that there is uncertainty regarding whether an enterprise fulfils or fails to fulfil the criteria.

As results in Table 3 have shown, most social enterprises focus on educational activities and mentoring activities, thus helping minority groups to

¹<http://www.spolecenskaodpovednostfirem.cz/nasi-clenove/326-green-smile/>.

Table 3 General comparison of supporting area

Name of organisation	Focus group	Level of support	Area of support				
			Education and training	Personal qualifications	Access to resources	Business knowledge	Sociocultural challenges
CzechStartups.org.	N	national	✓	x	✓	✓	-
Impact Hub	N	national	✓	x	✓	✓	-
Transition places	N	regional	✓	x	-	✓	✓
Business Gate	Y,A,E	regional	✓	✓	-	✓	✓
Business and Employment	W,Y,A,E	regional	-	✓	-	✓	✓
Support Centre							
petriklíčHelp	Y,W	regional	✓	✓	x	-	✓
Fundacja Laja	Y, W	regional	✓	✓	x	-	✓
Kašpar centre	A,D	national	✓	✓	x	-	✓
Ergotep	A,D	national	✓	✓	x	-	✓

Legend: W-women, Y-young, D-people with disabilities, A- aged 50+, E-ethnic, N-no focus

reduce problems with stereotypes in the open labour market. Unfortunately, there are significant potential barriers to minority groups entering into business and so they are offered the opportunity to use the services of these support organisations and other similar organisations. They can also meet social entrepreneurs who have already been able to set-up in the business world and can thus benefit from their experiences in starting a business, especially in the form of social enterprise clusters or chambers of commerce for social enterprises.

Minority Communities as Opportunity Spaces for Social Entrepreneurship

In line with the presented results, many local challenges for minority social enterprises have been identified. However, the minority communities could be motivated by the successful projects of existing social enterprises in local communities that meet social needs and seek also to meet the market framework (Seelos et al. 2011).

The presented study discussed a wide range of minority entrepreneurship issues and their place in the not-for-profit sector and in local community. The support required is closely connected with social enterprises when they find their role in the community and the associated social impact in each phase of minority entrepreneurship phase development. It is appropriate to clarify the extent to which social enterprises create special programmes for each minority group. Like social entrepreneurs, minority entrepreneurs have to identify opportunities, mix resources and establish new ventures in a market. Social entrepreneurs could develop their activities only for economic impact, but they prioritise non-financial outcomes including cultural, social and natural values, which are creating opportunity spaces for target groups (Seymour 2012). Deep human motivation and the balance of financial and non-financial goals creates a friendly environment among different types of minority start-up entrepreneurs (Mahto et al. 2010). Emotions and entrepreneurial motivation discover emotional antecedents, self-oriented motives and other-oriented motives to drive and develop minority entrepreneurship using social business network support (Cardon et al. 2012; Miller et al. 2012). Figure 4 offers possible processes and probing questions used to prompt start-up ideas of minority entrepreneurs or develop growth phases which enhance their joint-ventures. The presented case studies and model have shown that social enterprises could give three possible forms of support to minority entrepreneurs:

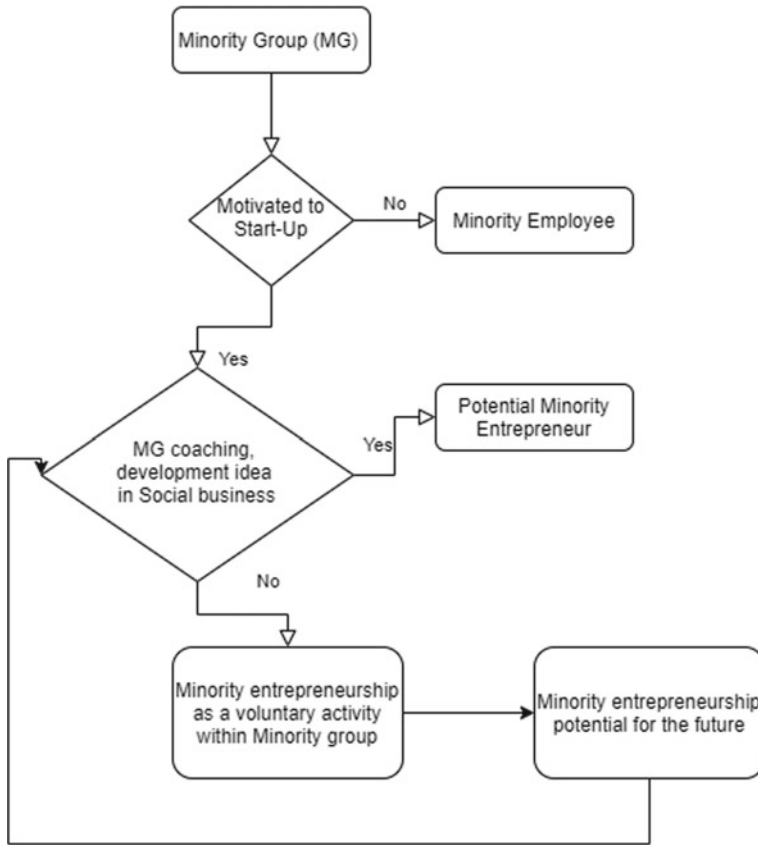


Fig. 4 Model of minority enterprises support Fred McKinney (Quinnipiac University, USA)

- Firstly, in the form of transit employment, when a minority group member gains experience, motivation, knowledge and peer support;
- Secondly, they could use social entrepreneurs for the role of mentors and coaches to develop ideas for incubation;
- Thirdly, minorities could decide to network with social enterprises to get knowledge of the local community in the form of volunteer activity and later they may establish their own business.

Their beneficial impact on social and economic development of minority entrepreneurs during various exiting business stages can be seen from various perspectives, such as a contribution to a more balanced use and allocation of local resources, generation of new employment (especially within minority groups) and playing a role in enhancing the social capital that is accumulated

at local level. As locally operated organisations, they adapt to the evolution of the local context and can be considered as a problem-solver within a specific social and economic context (Borzaga and Tortia 2006). Finally, it can be stated that most of these social enterprises are prepared to educate and prepare minority groups for their entrepreneurial activity by sharing their knowledge and network (Weerakoon et al. 2016; Calvo Martínez et al. 2019; Seelos et al. 2011).

Conclusion

Social enterprises provide minority group members with support and offer them an opportunity to reassess the role of work in their lives and to start a business. This concept implies assisting disadvantaged minority groups, not only to develop their career, but also to acquire specific values through democratic management structures, as disadvantaged workers are often involved in the governance of WISEs (Galera 2009). Social enterprises contribute to enhancing social cohesion in mainstream one support (as mentioned in best practices SE1 to SE4) during the phase of motivation and business creation. Social enterprises help foster existing minority enterprises, as they try develop to supply goods and services with a high social potential, which strengthens trust relations among the existing network of supporters. Their inclusive and participatory approach also motivates minorities towards active participation in the social and economic issues affecting their local communities. This contribution helps to increase a person's sense of social responsibility towards their minority community.

Existing social ventures also offer additional, more specialised support to develop their entrepreneurial ideas in the phase of enterprise functioning within mainstream support services two, often providing the basics for necessity-driven and opportunity-driven entrepreneurs. Without those business development structures (such as incubators, mentoring and training schemes, investment readiness support etc.), there is a risk that minority enterprises will only have a small local advantage (see cases SE5 and SE6). Furthermore, according to the actors in the field, the challenges regarding the structure and activities of business development services for social enterprises in the phase of enterprise growth and consolidation (see cases SE7 to SE9), need to be understood and minority enterprises need to recognise social economy values and the significance of social enterprise principles. The lack of funds for financing start-ups and the risk aversion of business activities associated with low business confidence of minority group members is

the main topic there. The professionalisation of those enterprises could help them to become sustainable social enterprise projects (Borzaga and Galera 2014). This can be achieved by building the skills and competences of social entrepreneurs through the organisation of targeted sensitisation events and by supporting the development of incubators and support structures designed to foster social enterprise start-ups and scaling (Pelucha et al. 2017; OECD 2016). The phase of creation and motivation is a very important phase for potential minority entrepreneurs and supporting social organisations need to carefully select and provide specific services, including detailing the benefits and risks of the business. Further research is required regarding these mainstream supporting processes in social enterprises as previous analyses have generally offered more questions than answers regarding designing and implementing appropriate social enterprise support for minority communities (Dohnalová et al. 2015; Šebestová and Palová 2017; Wildmannová 2017).

Acknowledgements This work was supported by the Silesian University in Opava, by the Student Grant System SGS/06/2018 ‘Economic Literacy of Business Entities’.

References

- Adams, David, and Michael Hess. 2010. “Social Innovation and Why It Has Policy Significance.” *The Economic and Labour Relations Review* 21.2: 139–155. <https://doi.org/10.1177/103530461002100209>.
- Alaslani, Mohammad, and Jock Collins. 2017. “The Blocked Mobility Hypothesis and Muslim Immigrant Entrepreneurship in Sydney, Australia.” *Review of Integrative Business and Economics Research* 6.3: 333.
- Bacq, Sophie, and Frank Janssen. 2011. “The Multiple Faces of Social Entrepreneurship: A Review of Definitional Issues Based on Geographical and Thematic Criteria.” *Entrepreneurship & Regional Development* 23.5–6: 373–403. <https://doi.org/10.1080/08985626.2011.577242>.
- Bates, Timothy. 2003. “Minority Business Assistance Programs are Not Designed to Produce Minority Business Development”. *The Emergence of Entrepreneurship Policy: Governance, Start-Ups and Growth in the US Knowledge Economy*, pp. 155–175.
- Battilana, Julie, and Matthew Lee. 2014. “Advancing Research on Hybrid Organizing—Insights from the Study of Social Enterprises.” *The Academy of Management Annals*, 8.1: 397–441.

- Borzaga, Carlo, and Ermanno Tortia. 2006. "Worker Motivations, Job Satisfaction, and Loyalty in Public and Nonprofit Social Services." *Nonprofit and Voluntary Sector Quarterly* 35.2: 225–248.
- Borzaga, Carlo, and Giulia Galera. 2014. New Trends in the Nonprofit Sector in Europe: The Emergence of Social Enterprises, in E. Costa, L.D. Parker, & M. Andreus (Eds.), *Accountability and Social Accounting for Social and Non-Profit Organizations, Advances in Public Interest Accounting, Volume 17*, Emerald Group Publishing Limited, pp. 89–110.
- Boukal, Petr. 2013. *Fundraising pro neziskove organizace*. Praha, Grada.
- Calvo Martínez, Sara, et al. 2019. "Solidarity Economy, Social Enterprise, and Innovation Discourses: Understanding Hybrid Forms in Postcolonial Colombia." *Social Sciences* 8.7: 205. <https://doi.org/10.3390/socsci8070205>.
- Cardon, Melissa S., et al. 2012. "Exploring the Heart: Entrepreneurial Emotion Is a Hot Topic." *Entrepreneurship Theory and Practice* 36.1: 1–10.
- Carter, S., et al. 2015. "Barriers to Ethnic Minority and Women's Enterprise: Existing Evidence, Policy Tensions and Unsettled Questions." *International Small Business Journal* 33.1: 49–69.
- Cavana, R. Y., et al. 2001. *Applied Business Research: Qualitative and Quantitative*, Australia: Wiley.
- Choi, Nia, and Satyajit Majumdar. 2014. "Social Entrepreneurship as an Essentially Contested Concept: Opening a New Avenue for Systematic Future Research." *Journal of Business Venturing* 29.3: 363–376.
- Clark, Ken, and Stephen Drinkwater. 2010. "Recent Trends in Minority Ethnic Entrepreneurship in Britain." *International Small Business Journal* 28.2: 136–146.
- CSP. 2019. "Adresář sociálních podniků. České sociální podnikání." <https://www.ceske-socialni-podnikani.cz/adresar-socialnich-podniku>. Accessed on 14 February 2020.
- Dohnalová, Marie, et al. 2015. "Social Enterprise in the Czech Republic." ICSEM Working Papers, No. 24, Liege, The International Comparative Social Enterprise Models (ICSEM) Project.
- Galera, Giulia. 2009. The Re-Emergence of Social Enterprises in the CEE and CIS, in S. Destefanis & S. M. Musella (Eds.), *Paid and Unpaid Labour in the Social Economy*, AIEL Series in Labour Economics, Physica-Verlag, Heidelberg, pp. 245–260.
- Gidron, Benjamin, and Yeheskel Hasenfeld. 2012. "Social Enterprises: An Organizational Perspective." New York: Palgrave Macmillan.
- Gojová, Vendula. 2014. "Integrační cíle sociálních podniků—možnosti sociální práce." *Scientific Papers of the University of Pardubice. Series D, Faculty of Economics & Administration*, 8.1.
- Gonul Ogutveren, Ozlem. 2018. "Encouraging and Supporting Minority Entrepreneurship for Long-Term Success." *Entrepreneur and Innovation*

- Exchange. <https://doi.org/10.17919/x9509f>. <https://eiexchange.com/content/352-Encouraging-and-Supporting-Minority-Entrepreneur>. Accessed on 14 February 2020.
- Greene, Patricia Gene, and John Sibley Butler. 1996. "The Minority Community as a Natural Business Incubator." *Journal of Business Research* 36.1: 51–58.
- Houtbeckers, Eeva. 2016. "Mundane Social Entrepreneurship-A Practice Perspective on the Work of Microentrepreneurs." Aalto University Publication Series DOCTORAL DISSERTATIONS 171/2016.
- Iskander, Natasha, and Nichola Lowe. 2010. "Hidden Talent: Tacit Skill Formation and Labor Market Incorporation of Latino Immigrants in the United States." *Journal of Planning Education and Research* 30.2: 132–146.
- Jones, Trevor, and Monder Ram. 2012. "Revisiting... Ethnic-Minority Businesses in the United Kingdom: A Review of Research and Policy Developments." *Environment and Planning C: Government and Policy* 30.6: 944–950.
- Jones, Trevor, et al. 2014. "Mixed Embeddedness and New Migrant Enterprise in the UK." *Entrepreneurship & Regional Development* 26.5–6: 500–520.
- Kim, Kwang Chung, and Won Moo Hurh. 1985. "Ethnic Resources Utilization of Korean Immigrant Entrepreneurs in the Chicago Minority Area." *International Migration Review* 19.1: 82–111.
- Kirkwood, Jodyanne. 2009. "Motivational Factors in a Push-Pull Theory of Entrepreneurship." *Gender in Management: An International Journal* 24.5: 346–364.
- Krejčí, Petra, and Jarmila Šebestová. 2018. "Social Innovation Ties: A Dilemma of Product and Employee Orientation." *Polish Journal of Management Studies* 17: 123–133.
- Leadbeater, Charles. 2007. "Social Enterprise and Social Innovation: Strategies for the Next Ten Years." A Social Enterprise Think Piece for the Cabinet Office of the Third Sector.
- Levie, Jonathan. 2011. "Global Entrepreneurship Monitor: Scotland 2011." Glasgow: University of Strathclyde.
- Mahto, Raj V., et al. 2010. "Satisfaction with Firm Performance in Family Businesses." *Entrepreneurship: Theory & Practice* 34.5: 985–1001.
- Mair, Johanna, and Ignasi Marti. 2006. "Social Entrepreneurship Research: A Source of Explanation, Prediction, and Delight." *Journal of world business* 41.1: 36–44.
- McDonough, Jo, and Steven McDonough. 2014. *Research Methods for English Language Teachers*. Routledge.
- Miller, Toyah L., et al. 2012. "Venturing for Others with Heart and Head: How Compassion Encourages Social Entrepreneurship." *Academy of Management Review* 37.4: 616–640.
- MSPAKT. 2018. <http://mspakt.cz/projekty/tranzitni-mista-v-socialnich-podnicich-v-moravskoslezskem-kraji/>. Accessed on 20 January 2018.
- Mulgan, Geoff. 2006. "The Process of Social Innovation." *Innovations: Technology, Governance, Globalization* 1.2: 145–162.

- Neumeier, Stefan. 2012. "Why Do Social Innovations in Rural Development Matter and Should They Be Considered More Seriously in Rural Development Research?—Proposal for a Stronger Focus on Social Innovations in Rural Development Research." *Sociologia Ruralis* 52.1: 48–69. <https://doi.org/10.1111/j.1467-9523.2011.00553.x>.
- Nová, Monika. 2018. Involvement in Development Projects—Knowledge of the Worker's Profile. Supervisondays 2017, in S. Hunyadiová, N. Bujdová, Uzhorod: LIRA PRINT, pp. 202–231.
- OECD. 2016. "Boosting Social Entrepreneurship and Social Enterprise Creation—Unlocking the Potential of Social Enterprises in the Czech Republic".
- OECD. 2017. *The Missing Entrepreneurs 2017: Policies for Inclusive Entrepreneurship*, *The Missing Entrepreneurs 2017*. <https://doi.org/10.1787/9789264283602-en>. Accessed on 5 May 2019.
- Pelucha, Martin, et al. 2017. "Barriers of Social Entrepreneurship Development—A Case Study of the Czech Republic." *Journal of Social Entrepreneurship* 8.2: 129–148.
- Rahman, Md Zillur, et al. 2018. "Challenges and Issues Facing Ethnic Minority Small Business Owners: The Scottish Experience." *The International Journal of Entrepreneurship and Innovation* 19.3: 177–193.
- Šebestová, Jarmila, and Zuzana Palová. 2017. Support of Social Innovations: Case of the Czech Republic, in Lewandowski, M. B. Kožuch (Ed.), *Public Sector Entrepreneurship and the Integration of Innovative Business Models*. Hershey: IGI Global, pp. 165–187.
- Seelos, Christian, et al. 2011. "The Embeddedness of Social Entrepreneurship: Understanding Variation Across Local Communities." *Research in the Sociology of Organizations* 33.4: 333–363.
- Seymour, Richard G. 2012. "Understanding the Social in Social Entrepreneurship." *Handbook of Research Methods on Social Entrepreneurship*: 3–25.
- Smallbone, D., et al. 2001. "Researching Social Enterprise: Final Report to the Small Business Service." Centre for Enterprise and Economic Development Research, Middlesex University Business School, Middlesex University.
- Sonfield, Matthew C. 2014. "Ethnic Minority Businesses and Targeted Assistance Programs in the US and the UK." *Journal of Small Business and Enterprise Development* 21.2: 199–211.
- Suklev, Bobek, and Gadaf Rexhepi. 2013. "Growth Strategies of Entrepreneurial Businesses: Evidence from Macedonia." *Entrepreneurship in the Balkans*. Springer, Berlin, Heidelberg, pp. 77–87.
- Tessea. 2018. Definice a principy sociálního podniku [Principles of Social Business]. <http://www.tessea.cz/tessea-o-nas/definice-a-principy-socialniho-podnikani>. Accessed on 5 May 2019.
- TESSEA. 2019. Definice a principy sociálního podniku. <http://tessea.cz/tessea-o-nas/definice-a-principy-socialniho-podnikani>. Accessed on 5 May 2019.
- Tracey, Paul, and Owen Jarvis. 2007. "Toward a Theory of Social Venture Franchising." *Entrepreneurship Theory and Practice* 31.5: 667–685.

- Tucker, Simon. 2014. "Social Innovation for Public Service Excellence." UNDP Global Centre for Public Service Excellence. http://www.undp.org/content/dam/uspc/docs/GPCSE_Social%20Innovation.pdf. Accessed on 5 May 2019.
- Vaceková, Gabriela. 2015. Social Entrepreneurship in the Czech Republic. Current Trends in Research on Hybridity. Scientific Papers of the University of Pardubice. Series D 22.35: 161–172.
- Weerakoon Chamindika, et al. 2016. "The Nexus Between Social Entrepreneurship and Social Innovation. In ACERE Conference, p. 17.
- Wildmannová, Mirka. 2016. "Social business in The Czech Republic—New Approach to Employment." In Proceedings of International Scientific Conference of Business Economics Management and Marketing 2016. Brno: Masaryk University, pp. 67–73.
- Wildmannová, Mirka. 2017. Barriers and Potential Challenges in the Development of Social Businesses in the Czech Republic. Scientific Papers of the University of Pardubice, Pardubice: University of Pardubice 40.2: 234–243.
- Wolf, Patricia, and Peter Troxler. 2016. "Community-Based Business Models: Insights from an Emerging Maker Economy." *IxD&A* 30: 75–94.
- Wronka, Martyna. 2013. "Analyzing the Success of Social Enterprises—Critical Success Factors Perspective." *Active Citizenship by Knowledge Management & Innovation: Proceedings of the Management, Knowledge and Learning International Conference*, pp. 593–605.
- Yin, Robert. 1994. "Case Study Research." 2nd ed. Beverly Hills, CA: Sage.
- Zainal, Zaidah. 2007. "Case Study as a Research Method." *Journal Kemanusiaan* 5.1: 1–9.