



universität
wien

MASTERARBEIT / MASTER'S THESIS

Titel der Masterarbeit / Title of the Master's Thesis

„Social entrepreneurship challenges in Austria“

verfasst von / submitted by

Valentina Darya Darvishzadeh, B.A.

angestrebter akademischer Grad / in partial fulfilment of the requirements for the degree of
Master of Science (MSc)

Wien, 2023 / Vienna, 2023

Studienkennzahl lt. Studienblatt /
degree programme code as it appears on
the student record sheet:

UA 066 914

Studienrichtung lt. Studienblatt /
degree programme as it appears on
the student record sheet:

Masterstudium Internationale Betriebswirtschaft

Betreut von / Supervisor:

ao. Univ.-Prof. i.R. Mag. Dr. Josef Windsperger

Mitbetreut von / Co-Supervisor:

Aveed Raha, BSc MSc PhD

Abstract

English

Social entrepreneurship is a form of business that aims to solve a social problem. This includes a variety of people in difficult situations in need of help. This form of business has a long history in Austria and furthermore, it will not be possible to continue the way of economic development of now – continuing to grow is simply not feasible, there are not enough resources to do so. Social entrepreneurship is a counter to this trend and there is a rise in interest in this topic, as can be seen in the increase of social enterprises in Austria as well as an increase in research papers about this topic. However, there are still challenges that social entrepreneurs have to face. This thesis focuses on five certain problems, how much they are affecting social entrepreneurs in Austria and what can be done to solve these problems. The focus on social entrepreneurship in Austria. The method conducted are expert interviews, including social entrepreneurs and politicians knowledgeable in this area. The thesis includes literature review as well as expert interviews.

German

Soziales Unternehmertum ist eine Form des Unternehmertums, die auf die Lösung eines sozialen Problems abzielt. Dazu gehört eine Vielzahl von Menschen in schwierigen Situationen, die Hilfe benötigen. Diese Form des Unternehmertums hat in Österreich eine lange Geschichte und es wird auch nicht möglich sein, den Weg der wirtschaftlichen Entwicklung von heute fortzusetzen – kontinuierliches Wachstum ist nicht möglich, dafür sind nicht genügend Ressourcen vorhanden. Soziales Unternehmertum ist ein Gegenpol zu dieser Entwicklung und das Interesse an diesem Thema steigt, was sich in der Zunahme von Sozialunternehmen in Österreich sowie in der Zunahme von Forschungsarbeiten zu diesem Thema zeigt. Dennoch gibt es immer noch Herausforderungen, denen sich Sozialunternehmer stellen müssen. Diese Arbeit konzentriert sich auf fünf bestimmte Probleme, wie stark diese die Sozialunternehmer in Österreich betreffen und was getan werden kann, um diese Probleme zu lösen. Der Fokus liegt dabei auf dem sozialen Unternehmertum in Österreich. Als Methode werden Experteninterviews mit Sozialunternehmern und Politikern, die sich in diesem Bereich auskennen, durchgeführt. Die Arbeit umfasst eine Literaturanalyse und Experteninterviews.

Keywords: Social entrepreneurship, SE, challenges

Table of Content

Declaration	Fehler! Textmarke nicht definiert.
Abstract	I
Table of Content.....	II
Acknowledgements	IV
Table index	V
List of abbreviations	VI
1. Introduction	1
1.1. Topic description.....	1
1.2. Motivation	2
2. Social entrepreneurship	3
2.1. Entrepreneurship in general.....	3
2.1.1. Verified social entrepreneurship.....	3
2.1.2. Commercial entrepreneurship compared to social entrepreneurship.....	4
2.2. History of social entrepreneurship in general.....	4
2.2.1. The social origins theory	5
2.2.2. The first social enterprise and social entrepreneur	6
2.2.3. History of social entrepreneurship in Austria.....	7
2.3. Relevant numbers regarding social enterprises in Austria	8
2.4. Relevance of social entrepreneurship in Austria today	9
2.5. Social entrepreneurship in different geographical regions	10
2.5.1. Social entrepreneurship in developed and developing countries.....	11
3. Institutions affecting social entrepreneurship.....	13
3.1. Political institutions and government	13
3.1.1. Historical development.....	13
3.1.2. General overview.....	13
3.1.3. Political situation today	14
3.2. Society.....	14
3.3. Other social institutions	16
3.3.1. Non-Profit Organisations (NPOs)	16
3.4. Enterprises with social ambitions.....	17
4. Challenges faced by social entrepreneurship in Austria.....	18
4.1. The crucial importance of a network.....	18
4.1.1. Social capital	18

4.1.2.	How is a network important for a social entrepreneurship?	19
4.1.3.	Why and for whom is it difficult to obtain social capital?	20
4.2.	Mislead focus on solutions	21
4.2.1.	What are the motivations to establish a SE?.....	23
4.2.2.	How can the focus on solutions be misleading?.....	24
4.3.	Missing ethical aspects within social entrepreneurship.....	24
4.3.1.	Social entrepreneurship and technological improvement.....	26
4.3.2.	What is the problem with SEs not being ethical?.....	26
4.4.	Lack of empirical research regarding women in SE.....	28
4.4.1.	State of empirical research on social entrepreneurship	28
4.4.2.	Missing women in empirical research about SE	29
4.4.3.	The problem with too little female representation in this empirical research	30
4.5.	Leadership difficulties	30
4.5.1.	Failure because of the management	31
4.5.2.	Limited resources	32
4.5.3.	Negative outside influences.....	32
5.	Methodology	34
5.1.	Social enterprises in Austria.....	34
5.1.1.	Results	36
5.1.2.	Summaries of the interviews	41
5.2.	Politicians of the Austrian green party	42
5.2.1.	Introduction of the politicians	42
5.2.2.	Summaries of the interviews	44
5.2.3.	Results	47
6.	Discussion	48
6.1.	The challenges.....	48
6.2.	The limitations.....	53
7.	Conclusion.....	54
Literature		56
Interview transcription		62
Social entrepreneurs		62
Politicians		78

Acknowledgements

I would like to dedicate this page to thank everybody who made it possible for me to finish my studies and write this thesis.

Firstly, I would like to thank my co-supervisor, Aved Raha. Your detailed and constructive feedback and general interest in this topic was incredibly helpful for me to write my thesis. I would also like to thank Univ.-Prof. Dr. Josef Windsperger, who made writing this thesis possible in the first place.

Furthermore, I would like to thank my family and friends, who always gave me support and encouragement which helped me to continue when it was more difficult to do so.

Finally, I would also like to thank all the entrepreneurs and politicians who took the time and let me interview them. These interviews were not only important for my thesis but also interesting and informative.

Table index

- Figure 1 Nonprofit regimes according to the social origin theory, p. 16 5
- Figure 2 Distribution of Social entrepreneurships in Austria..... 8
- Figure 3 Proportion of women in social entrepreneurship 9
- Figure 4 Gender ratio 2012 - 2022 of the Top 200 businesses in Austria 9
- Figure 5 Overview of interviewed social entrepreneurs..... 36
- Figure 6 Overview of interviewed politicians 43

List of abbreviations

<i>Abbreviation</i>	<i>Meaning</i>
<i>ÖVP</i>	Austrian people party / Österreichische Volkspartei
<i>FPÖ</i>	Freedomparty Austria / Freiheitliche Partei Österreich
<i>KPÖ</i>	Kommunist Party Austria/ Kommunistische Partei Österreich
<i>AK</i>	Arbeiterkammer / Chamber of labour
<i>CSR</i>	Corporate Social Responsibility
<i>SE</i>	Social Entrepreneurship / Enterprise
<i>SENA</i>	Social Enterprise Network Austria

1. Introduction

1.1. Topic description

Social entrepreneurship has won more attention within the past years. More and more people take part in one, establish or choose to buy products from one. However, the concept already exists for a while now. The first official social entrepreneurship was founded in Bangladesh in 1976 by Muhammad Yusuf to support women. Even though it has been existing for some time it has not been clearly defined that is why there are a high number of definitions. However, this did not hinder the development of social entrepreneurship, or the research conducted for it (Mair J. & Marti J., 2006). Social enterprises are able to address social shortcomings and address them in different areas. Due to them not depending on donations as a NPO does, they participate in market activities to generate the income to keep going (Muldoon et al., 2022).

- Definition of Social entrepreneurship in Austria

But first: What does social entrepreneurship mean in Austria? SENA, the Social Entrepreneurship Network Austria, is one of the most famous official networks of social entrepreneurs in this area. On their website, they explain that the Austrian people as a society have to deal with various problems and social entrepreneurs have made it their goal to be a further source of support. Everybody who faces problems has the possibility to turn to these social entrepreneurs for help. A social entrepreneurship is an enterprise that has as goal to solve a social issue while participating in market activities (SENA, 2023).

- Reason for this Master thesis

Social entrepreneurship in Austria is a way of combining economic and social goals with each other. With this long and rich history of the social focus of Austria in mind, the recent changes within the start-up area make a lot of sense. Within the past two decades, 51% of the start-ups that were created had some form of social focus. This is the highest percentage of social engagement in start-ups since it was first recorded in the 1960s (Vandor et al., 2022). Social entrepreneurship, however, faces these challenges. These are different challenges compared to what their colleagues from commercial start-ups have to deal with, but they are still important to address (Bundesministerium für Wirtschaftsstandort und Digitalisierung, 2020).

This master thesis addresses these challenges, first through a literature review then with Austrian social entrepreneurs and finally with Austrian politicians.

1.2. Motivation

The motivation to write this thesis is manifold. Firstly, the topic gained especially over the past years extremely in relevance. Social entrepreneurship has a long history in Austria, but more and more people are not willing to look away when they see issues and hope the government will take care of it. The topic gets picked up by the mainstream more and more making it increasingly relevant and important to talk about. Secondly, I believe that more social enterprises will be needed. The climate crisis, growing social inequities, ongoing patriarchal problems, and many more are often missed by politicians or not properly resolved in the way many feel necessary. Thirdly, the more social entrepreneurship establishes themselves, the more people hear about it and consume there, which opens the possibility of an overall social change in Austria.

2. Social entrepreneurship

2.1. Entrepreneurship in general

Entrepreneurship is part of the business and economic world. With their entrepreneurship an entrepreneur is able to provide a place of work for any number of people and to offer goods and services while also being innovative. For the entrepreneurship to be successful it is crucial for the people leading it that they recognize opportunities and use their knowledge, skills, and abilities. The goal of every entrepreneurship is to grow and make a profit. An entrepreneurship can either be focused on opportunity, technology, the market, or innovation. It can also be led, only by the skills and education of the entrepreneur(s). There are different types of businesses and to choose the right one the person who wants to own and lead one has to be well informed and know what they are getting into (Didip & Azmy, 2020). The paper ‘Defining opportunity versus necessity entrepreneurship: Two components of business creation’ written by Fairlie and Fossen in 2019 has found that most enterprises that were founded in the United States and Germany were either founded due to opportunity or due to necessity. Due to opportunity means that those were established because the founders saw an opening. Due to necessity means that the founders did not see any other option in the labour market at the time than opening their own business (Fairlie & Fossen, 2019).

2.1.1. Verified social entrepreneurship.

Since the December 1st, 2022, a social enterprise has the opportunity to get a verification to show the social cause of their work. This label was seen as needed to improve the general view on social entrepreneurship and to make them more credible. Customers as well as people who want to invest in such a business can feel more comfortable because they know it is legitimate. Up until this point, every business had the opportunity to claim to be a social entrepreneurship and with this label, there has to be a separate, an official, verification. This is seen as an opportunity to increase governmental funding (SENA, 2023). SENA worked together with the Austrian Economic-systems LLC and the Austrian chamber of commerce. It was commissioned by the Austrian ministry of work and economics. It is continuously possible to submit the necessary documents to become a verified social entrepreneurship and the label is valid for 3 years before it has to be renewed (Austria Wirtschaftsservice, 2022). To be eligible for the label there must be proof of business activity and the main goal must be to tackle a social problem. A separate impact board then reviews the stated social goals of the business and if the plans are seen as credible, the entrepreneurship officially becomes social. This is seen as a plus point for

everybody who wants to invest in social businesses and SENA offers to be available for consulting, either through a Webinar or by arranging an appointment (SENA, 2023).

2.1.2. Commercial entrepreneurship compared to social entrepreneurship

There are different forms of social entrepreneurship, different reasons why they are established, and different skill sets the entrepreneurs that open them, have to work with. Many of the skills come from working in the non-profit sector. To put it broadly: A social entrepreneurship's main goal is to have and create social value and not to make a profit or increase their stakeholder's income. A social problem has to be addressed with the intention to solve it. When it comes to commercial entrepreneurship the focus here lies on the profit or on the opportunities to generate more capital through the entrepreneurship. Commercial entrepreneurship also uses the PCDO model – people, context, deal, and opportunity. This model shows the elements an entrepreneur needs to be aware of to be successful. People means everybody that is somehow in contact with the entrepreneurship; Context signifies the factors the entrepreneur cannot control; Deal entails every form of transaction that is made within or by the entrepreneurship; Opportunities are matters, in which an entrepreneur invests with the intention to get a return. In general, this model can also be applicable to a social entrepreneurship, however, there are differences in some key areas, so it is not applicable in the same way as it is to a commercial entrepreneurship (Austin et al., 2006). The different needs of the two types of enterprise can also be concluded when looking at what human capital they need. The study 'Human capital in social and commercial entrepreneurship' by Estrin et al. in 2016 have found that social enterprises need more general human capital while commercial social enterprises require a bigger number of specific human capital. The study also found that for a social entrepreneurship there is a need to give people a reason to come work for them. Outside institutions can help here not only by improving the perception of a social entrepreneurship but also by increasing the salary of the employees (Estrin et al., 2016).

2.2. History of social entrepreneurship in general

Within the past centuries, social entrepreneurship has become more and more famous. Throughout different political situations and changing societal demands non-profit organizations needed to take on an economic approach. The difficulty for SEs however has always been too little funding and access to resources. People working in this environment were and still are forced to be innovative and take risks to establish their businesses. However, social

entrepreneurship has become a critical part of global economic systems. The reason for that is, in part, because they contribute with their inventions and products to the economy, partly though because a growing number of people are interested in helping people in need. The case study ‘Social innovation and social entrepreneurship: discovering origins, exploring current and future trends’ by Farinah et al. (2020) shows that in the development of a social entrepreneurship especially within the past 20 years a lot of social innovation happened. However, especially since the rising concerns regarding climate change ecological innovation is rising as well (Farinha et al., 2020). Within the past decades, the interest in social entrepreneurship rose and several research papers were published. The author Janelle A. Kerlin wrote in her book ‘Shaping social enterprise: Understanding institutional context and influence’ in 2017 that a social entrepreneurship is, in her opinion, similar to a non-profit organization and sees them as the base. For her, the social origins theory is relevant in this case (Kerlin, 2017).

2.2.1. The social origins theory

In 1990 the work of Epsping-Andersen was published. This work describes 4 regimes of how non-profit organizations develop over time (Wagner, 2000). These four regimes consist of five theories: First, the government failure/ market ‘failure theory’, second the ‘supply side theory’, third, the ‘trust theory’, fourth the ‘welfare state theory’ and fifth the ‘interdependence theory’. After identifying the five theories they can now be separated into the previously mentioned four regimes of how the third sector developed. This separation is dependent on how much the government spends on their social welfare and how big the non-profit sector is. The indicator for the social democratic regime is high spending by the government on social welfare spending but they are low on the non-profit scale, whereas for the liberal regime, the indicators are low spending on social welfare, but they are high non-profit scale. On the two ends of this categorization are the statist regime, in which the government spends very little on the social welfare and it is low on the non-profit scale, and the corporatist regime, where both is considered high (see Figure 1).

<i>Government Social Welfare Spending</i>	<i>Nonprofit Scale</i>	
	<i>Low</i>	<i>High</i>
Low	Statist	Liberal
High	Social democratic	Corporatist

Figure 1 Nonprofit regimes according to the social origin theory, p. 16

Salamon and Anheier in 1998 concluded that one theory was missing and developed the social origin theory. In order to test their theory, data from eight different countries were selected and then further researched for a cohesive conclusion. Finally, the two researchers were able to prove the importance of social capital, not only in the political but also in the economic sphere (Salamon & Anheier, 1998). With this theory, the established system was challenged, and it had to be redeveloped. One of the critique points regarding the social origin theory is that the so-called “public sphere” is not taken into account well enough (Wagner, 2000).

When it comes to the social enterprises, there are different ways to categorize them. Firstly, the social entrepreneur themselves is the most important aspect, then what is stated is the social innovation school of thought. The second school of thought is the social enterprise school, where the organization itself is in the centre. Finally, there is also the EMES, Emergence of Social Enterprises in Europe, the school that highlights the collective actions of social entrepreneurship. The authors Bacq and Janssen were founders of this category in 2011. Naturally, for understanding social entrepreneurship correctly it is not only crucial to look at the enterprises themselves but also at their surroundings. SEs are created to solve a problem in the environment they are in, so, to understand how it comes to said problems, the environment and the people dependent on it have also been considered (Rivera-Santos et al., 2015).

2.2.2. The first social enterprise and social entrepreneur

Many papers and researchers have already put up a definition of a social entrepreneur. In 2010 Di Domenico et al. have given a very clear definition by stating that a social entrepreneur is one that knows how to get the needed resources, uses them well, and at the same time overcomes their obstacles in their path (Lehner, 2011). One of the most well-known obstacles for social entrepreneurs is their access to finances to fund their enterprise. Throughout time, however, more and more affordable and lucrative practices and technologies were introduced. This made the work for social entrepreneurs, albeit the reduction of support from the government, easier (Farinha et al., 2020).

Social entrepreneurship has been around for a while in one form or another and this is why it is unclear what was the first social entrepreneurship and who exactly was the first social entrepreneur. The concept of helping people in need was established by the church and over time taken on by the state. However, the first person to put social entrepreneurship at the centre of attention was Nobel peace prize winner Muhammad Yunus (Noruzi et al., 2010). Through

his invention, he became known as “banker of the poor” because in 1976 he founded the Grameen Bank in Bangladesh. People in Bangladesh were given the opportunity to take out micro credits mainly to get out of poverty since the bank was founded. He saw that only little was needed – by people in need – of these credits to help themselves. The Grameen Bank was the project that followed in 1983 and during the following 30 years, this project became a globally known institution. With this invention, Muhammad Yunus helped many people in Bangladesh, especially women, who, before this bank was established, had very limited access to money, especially when they were poor to begin with. In his opinion, a social entrepreneurship is clearly a way to support people in need without thinking about the profits made. It was also followed by more businesses with the goal to solve social problems. When asked in an interview, Muhammad Yunus explained, what he thought, were the most important aspects of establishing a social entrepreneurship and helping it be successful so more people can be helped. A crucial point in his opinion was to introduce a university course on social entrepreneurship to give students the tools to be successful in this area of work. He voiced his opinion that business schools, around the world, should put more focus on teaching it. Muhammad Yunus is convinced that people should help people and sees it as society’s responsibility to provide incentives for business students to do so (Social Business Education: An Interview with Nobel Laureate Muhammad Yunus, 2012).

2.2.3. History of social entrepreneurship in Austria

Helping people in need has a long history in Austria. The church was the first institution somebody could turn to when they found themselves in a problematic situation. Over time the state of Austria took over certain aspects to help people out of their predicaments and in the 1970s the movement, to put this help into more independent hands, started. From a European point of view, it was important to consider globalisation and it made sense to include civilians willing to take part in social politics and social developments. With the burden of social work divided among more people, the states did not have to be deeply involved anymore. It was still necessary to fund social entrepreneurs but even financially the possibility arose to receive it from other members of society, for example through donations. However, at the time nobody knew, how to manage a firm with a social focus, so courses and new fields at university were introduced in the 1990s to give entrepreneurs the skillset needed for a social entrepreneurship. The courses were seen and treated like any other university field, but it was still less respected than commercial economic courses. There was a wish to change that. New literature was

introduced, and the changes of the time were considered when making new rules for social work and social worker (Grillitsch et al., 2018).

2.3. Relevant numbers regarding social enterprises in Austria

Austria has a wide range of different social entrepreneurship and with this comes a high number of facts and figures. Important to know is that over 50% (52, 3%) are social enterprises with an

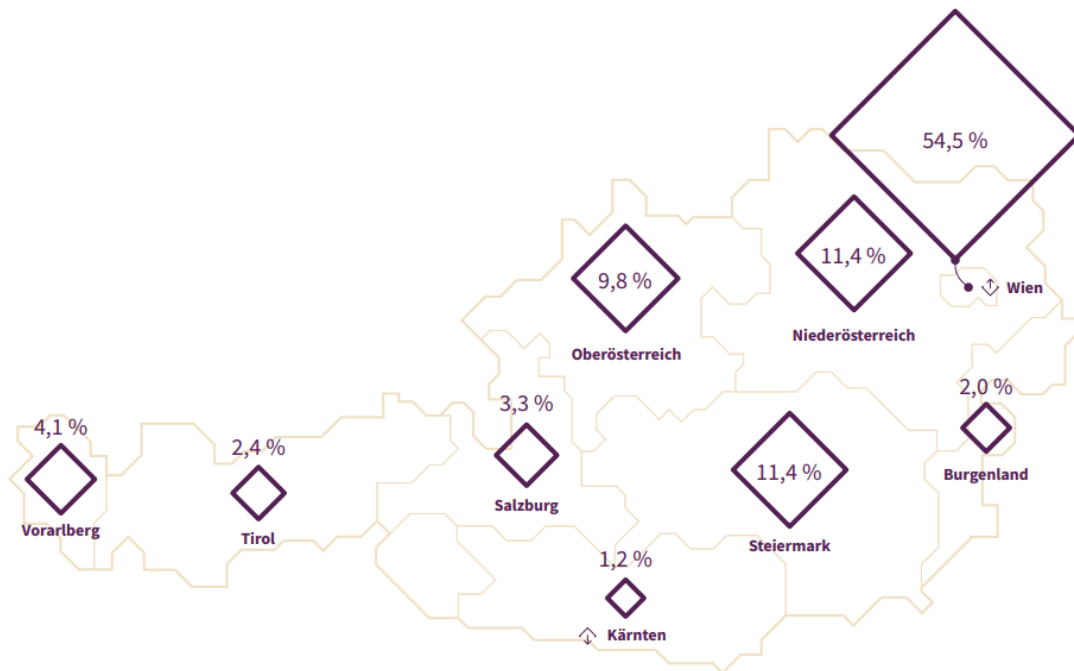


Figure 2 Distribution of Social entrepreneurs in Austria (Vandor, Millner, Hobodites, Matzawrakos, & Winkler, 2022)

ecological focus and that most SEs are founded in Vienna (54,5%) even though they are spread around all the federal states of Austria (see table 2). Also worth mentioning is the fact that 92% put the money, they earned into causes of public welfare. The often innovative and technical-focused SEs were mostly founded within the past 10 years and are therefore still in the beginning stages of a start-up. Within social enterprises Austrian women are also better represented in leading positions than in any other form of business. In comparison to the top 200 businesses in Austria, this is very apparent: In 2022 at social entrepreneurship women make up for more than half of the CEOs/ CTOs or COOs 50,8% (see Figure 4).

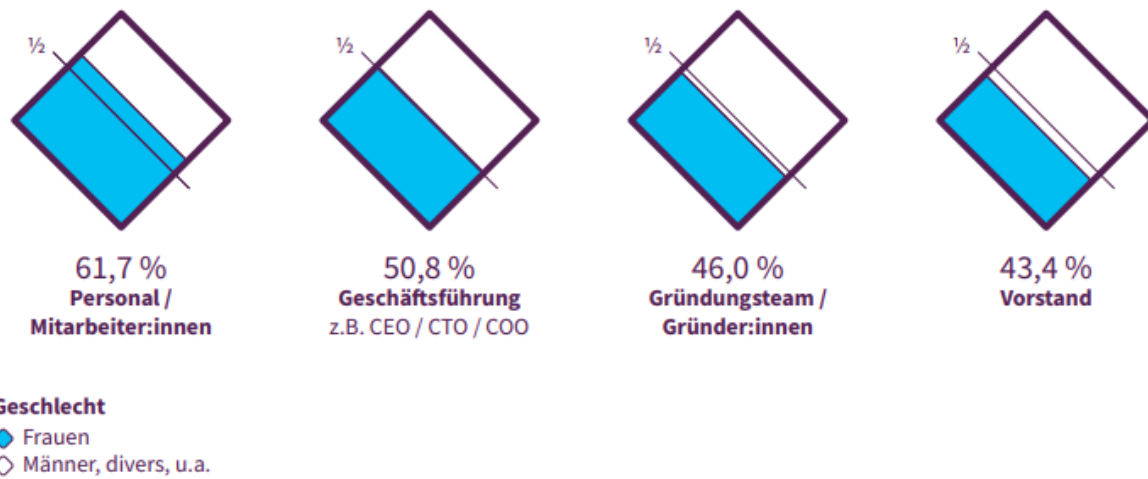


Figure 3 Proportion of women in social entrepreneurship (Vandor, Millner, Hobodites, Matzawrakos, & Winkler, 2022)

At the top 200 businesses they are only to 8,9% represented (see Figure 5).

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Frauen	5,1 %	5,6 %	5,6 %	5,9 %	7,2 %	7,2 %	8,4 %	8,2 %	8,0 %	9,0 %	8,9 %
Männer	94,9 %	94,4 %	94,4 %	94,1 %	92,8 %	92,8 %	91,6 %	91,8 %	92,0 %	91,0 %	91,1 %

Figure 4 Gender ratio 2012 - 2022 of the Top 200 businesses in Austria (Arbeiterkammer, 2022)

Most of the social enterprises indicate that they are in a financially unstable position but are still eager to expand and make their big plans reality (Vandor et al., 2022).

Three different types of social entrepreneurs can be identified: Social Bricoleur, one that concentrates on problems that are smaller and affect mostly local areas. The second one is social constructionist, the ones that focus on reforms and how to change them to help people that are less privileged. Finally, the social engineers, are the ones that want to change the whole social structure to help those in need. These entrepreneurs have historically taken actions that led to changes in systems. There is a discussion about the realism behind combining social endeavors and the intention to make a profit but in the end, it is clear that being active for other people requires money and this can be raised through an enterprise (Zahraa et al., 2009).

2.4. Relevance of social entrepreneurship in Austria today

Social entrepreneurship has gained interest over the years in a global context: Today between 15% and 40% of the enterprises that are founded are social enterprises. In Austria, this heightened interest was used to introduce new courses and fields to study (Vandor et al., 2022). One of the reasons why social entrepreneurship has become more important over the past years

is global warming and the wish, to do something to stop it. Another incentive for that is the 2030 agenda for sustainable development set by the UN in 2015, 17 goals that were set to be accomplished by 2030. In general, it can be said that a social entrepreneurship is founded by the people for personal reasons, but current situations are a big motivator too (WKO, 2021). A crucial aspect of social entrepreneurship is social innovation. Through the Austrian School of economics, a lot of innovation was able to happen. At the same time, throughout the past decades, researchers started to take interest in the social interactions in Austria. Social scholarships as well as non-economic scholarships were able to increase their pool of knowledge in their field. The social innovation theory claims that actors outside of market and state are the reason why the social field is evolving so, for the two areas to receive more funding can make further development possible (Novak, 2020).

2.5. Social entrepreneurship in different geographical regions

There are a number of social enterprises that are well-known internationally, especially the international foundations (Kostetska & Berezyak, 2014). Ashoka is an entrepreneurship from the United States. Founded on the 3rd of June in 1980 Bill Drayton. The founder was passionate in his pursuit to help social entrepreneurs worldwide. The idea was to invest in social entrepreneurship that offer an innovative idea that had the potential to lead to change on a national level. The process to be considered for this funding is thorough, but most of the funded enterprises were successful and thriving (Sen, 2006). The Skoll Foundation was founded by Jeff Skoll in 1999 in the United States of America. The goal of this foundation is to elevate and financially supported social entrepreneurs and inventors that improve the situation of their community or the world, independently of where they are situated. A further goal is, to them, to improve their network as well as make them well known through their platform, giving them the chance to reach even more people (Skoll Foundation, 2022). The Schwab Foundation for Social Entrepreneurship was founded as a sister organization of the World Economic Forum also to support social entrepreneurs and innovators around the world. The goal is to create global social change and this foundation does so by supporting its network of over 400 social entrepreneurs (Schwab Foundation for Social Entrepreneurs, 2022). Social entrepreneurship is a form of business that is practiced and known around the world. Of course, there are more social enterprises and depending on the country they are in, they focus on different issues. In Great Britain, for example, the most social enterprises support people with disabilities (Kostetska & Berezyak, 2014).

2.5.1. Social entrepreneurship in developed and developing countries

As previously mentioned, when it comes to social entrepreneurship considering the surroundings is crucial. People that profit from them, have different needs in different countries. Africa is a continent that has not gathered much attention on that topic, especially the sub-Saharan area. This area provides an interesting contrast to the social entrepreneurial ventures in developed countries because not only are there different needs, but there is also another leadership and access to resources. Sub-Saharan countries are ranked among the worst countries on earth, with most of them having problems when it comes to their government, infrastructure, or business conditions. 29 Sub-Saharan countries are among the countries with the shortest life expectancy. On the other side, there are many African countries that are having a growth period right now. Many of them, also in the Sub-Saharan area, are witnessing great economic development and are considered places that are worth investing in. Now, considering social entrepreneurship, there are also different influences in Sub-Saharan countries than in western countries. Poverty is one of them and even though it is an issue that can be found everywhere, it is especially prevalent in these countries. Another influence are the partly informal governments that can make getting out of poverty more difficult. While these two can be found worldwide, this next influence is reserved for developing countries: colonial history. Due to the fact that different African countries were colonized by different western countries, they were also able to develop differently. For example, the countries in Africa that were occupied by the British developed better than the countries that were colonized by the French or the Belgians, as scholars have found over time. For social entrepreneurship that means that people in these countries might have different reasons to get into this social venture, but they have the same reasons for their participation: There is a problem that needs to be solved. Another influence that must be considered is the different ethnic group identities. In the traditional Sub-Saharan worldview, individualism is not seen as important as the tribal identity. In the end, the study 'Social entrepreneurship in Sub-Saharan Africa' by Rivera-Santos et al. in 2015, made clear that poverty and identifying with an ethnic group were the most influential in choosing the type of social entrepreneurship for African entrepreneurs. This study also showed that the type of social entrepreneurship is very much dependent on where the entrepreneur is situated. With this study, an important part was to the African dataset to have a better understanding of Sub-Saharan Africa as well as the social entrepreneurship in this part of the world (Rivera-Santos, 2015). However, the effects of poverty or the need for social enterprises can be felt everywhere. Many people concentrate on this part of the market, the low-income market in developing nations. They want to help and improve the lives of those affected but they also try or have tried

to make a profit. It is crucial to consider that not everyone was successful in this endeavor but there are still lessons to be learned from those who were unsuccessful. There are also different criteria for a social enterprise to be successful. For example, it has to cater to a need, needs to be financially accessible for the lowest income class, has to build relationships with locals' businesses as well as good relationships with the customers they are serving. The aspect of technology also has to be considered. In first-world countries, an increased use of technology is prioritized because the access to it is easier for most people. However, this is not the case for low-income market customers in developing countries, who are partly not used to this technology and partly not able to understand what it is and why it is needed. For them, a great invention does not need to be technological. Women in Africa have found that the invention of the Hippo Roller is much more useful for them than any technological gadget can ever be. This is a plastic barrel that is filled with water and then rolled on its side to where it is needed, which meant that the ways to and from the water source were made easier. It is also clear that when it comes to making a profit with low-income customers it will always stay low so those social entrepreneurs that want to establish themselves there will need another motivation to do so. There are different needs in developing countries than there are in developed countries and to cater to them, high profit will not be at the forefront of the entrepreneur's mind. Another difficulty is definitely raising financial resources in a developing country. Social entrepreneurship often lives from donations and investors that want to see this business thrive. This can be done by normal citizens in developed countries, but it is more difficult in developing countries because there is less disposable income for people from the middle class (Foryt, 2002).

3. Institutions affecting social entrepreneurship

3.1. Political institutions and government

3.1.1. Historical development

Austria has a long history regarding changes in politics in their country, so destabilization is nothing new to the people of Austria. With this extensive background in mind, it comes as no surprise that different leaderships happened throughout time. However, looking back at the beginnings, it is clear to see that those in charge back then, were able to form the social-liberal welfare state Austria has become. As Gerald Stourzh wrote in a collection of essays, the first developments when it comes to social partnerships in Austria can be found in the Habsburg-era. In Austria the idea of turning to a more liberal way of governing was toyed with, however, it did not develop further up until after the second world war, with the beginning of the second republic (Ritter, 1999, S. 269 – 275).

3.1.2. General overview

To understand the influence politics had on social entrepreneurship it is important to take a closer look at its development over the past decades.

The first socialist ideas were brought up by Lorenz Stein who wrote a critical essay about it in 1852. This led to a great influence on the economists to come, who read the essay when being at university. Socialist ideas could only grow so much within the ruling Hapsburg monarchy. Furthermore, any form of working-class movement, which the socialist ideas ultimately were, was forbidden during the Great Depression in 1873 which was the result of the war with Prussia in 1866. The socialist movement developed nonetheless, albeit slowly. In, 1889 the Austrian Social Democratic Party was founded and throughout universities, more and more people that were considered advocates for socialism were able to get into positions to make decisions. In 1904, socialist doctrine was introduced into Austrian universities (Kurz, 1995, S. 10- 13). When the existence of Austria-Hungary came to an end after the First World war, Austria lost its position as a country wide economic power. As a result, it became very much dependent on its exports but how these were to be handled became a source of political conflict. The leading party, the Austrian People's Party - Österreichische Volks Partei, ÖVP, which followed an economically liberal capitalism way was challenged by the socialist democratic approach from Vienna. In Vienna, the goal was to less focus on the economic development and more on the people affected by the aftermath of the war. After the second world war during the reconstruction of Austria, there was an even bigger push for the socialist party, leading to them

being solely in power which initiated the Kreisky era, from 1970 to 1983. In the 1960s the world economic crisis started building and Austria's reaction to it differed from the rest of Europe: Austro-Keynesism was introduced. The state took on a high number of debts to avoid the collapse of the national economy, but this action was only able to postpone it. In the 1980s Austria had to pay for those debts. However, even before that, following the end of the Second World War, started the existence of Fordism, introduced by America to help Austria to become part of the world economy. A lot of influences were introduced, one of which was even more supported throughout the Kreisky era: Making education accessible for every social class (Dachs et al., S. 40 – 50).

Entering the different European peace and trade agreements (EWG / EG / EU) was on the minds of the Austrian politicians in the time span between 1947 and 1995. In the beginning, especially the compulsion of neutrality avoided that Austria could be part of any of the named groups. Furthermore, different leading political parties had different opinions about the necessity of a commitment like this. Austria was in favour of fewer obstacles when it came to international trade but being a certain part of a politically international group seemed to be too much for some, especially for the conservative parties ÖVP and the Austrian Freedom Party – Freiheitliche Partei Österreich, FPÖ (Dachs et al., 1997).

3.1.3. Political situation today

Over time the political landscape changed and new actors with new ideas entered. SPÖ changed its ways, away from the social focus and more towards a national focus together with their coalition partner, ÖVP. This has not changed until today. Vienna's SPÖ very much still profits from the Kreisky era but it is clear to see that the ideas have also changed over time (Profil, 2018). Two parties stand out with their overall social focus: The green party (die Grünen) and the party of communism (KPÖ). The green party puts a lot of focus on saving the environment (a growing area of interest for social entrepreneurs) communist party has been voted into regional office in Graz because of their social support of the people living there (Müller, 2021).

3.2. Society

Social entrepreneurs have always put their focus on societal problems and what needs to be done to solve them. In recent years social entrepreneurs have founded their companies more often to help immigrants or to combat one of the many problems caused by the climate crises. Of course, there were many more problems that needed to be resolved so there were also a

number of other SEs that came into existence. In short, it can be said that social entrepreneurs have founded their entrepreneurship to influence society, to help people in need, and find solutions for problems that have been ignored for too long (Muralidharan & Pathak, 2018).

When looking at Austria specifically the study ‘The Phenomenon of Social Enterprise in Austria: A Triangulated Descriptive Study’ by Othmar M. Lehner in 2011 showed, how they are included within society. The enterprises that participated stated that they receive 88% of their income from being part of the market. Through the market is also the way around 84% of the participants of the study explained that they reach their customer base. Another way to generate income for Austrian social enterprises is through donations (32%) but also through membership fees (16%). Almost half of their workforce are volunteers that participate because the cause that the social entrepreneurship is following, is worth supporting for them. Many of the participating social entrepreneurs, however, made clear that the governmental support was fluctuating, making it impossible to solely depend on it, if they wanted to keep going. Social entrepreneurship claimed that 26% of their income comes from public funds. This made clear that SEs cannot afford to be completely focused on the social aspect, they also need to participate in the Austrian market. Furthermore, the Austrian eco-social market economy leads to them having different regulations in the area of social entrepreneurship than other countries, which means financial participation from the people living in Austria is possible but the market rules from the government are still crucial (Lehner, 2011). Social entrepreneurship wants to solve a problem or contribute to minimizing the effects this problem has on society. Austrian social enterprises partly have made it their mission to help people who struggle, to be part of the workforce and the labour market, which also led to political decisions to improve the unemployment situation. This was a relief for the affected parties but also an advantage for the social entrepreneurs concerned with this topic. Their involvement in these improvements meant that they are now more included and able to make ground-breaking changes (Anastasiadis, 2016). A certain stability within a society will always be important, not only for said society to thrive but also for social entrepreneurship to be able to work there. A society ready to help is definitely needed in this regard because politics and market can help to resolve certain problems but, in many areas, they cannot and members of said society are needed to step in. Detecting certain problems others, that are not in this area are not able to see, is done through a social entrepreneurship, and seeing the need for a solution for this problem is done by society and the people surrounding them (Kostetska & Berezyak, 2014).

3.3. Other social institutions

3.3.1. Non-Profit Organisations (NPOs)

Non-profit organizations (NPOs) have a very long history in Austria as well. They were the form of social work that came before social entrepreneurship, developed before World War I happened but were forbidden during this time of war and came back in-between wars. During the time of Austro-fascism, the social-democratic party and every group associated with them were dissolved which included early NPOs. With the beginning of the Second Republic in Austria, several NPOs were founded and worked together with political groups, either SPÖ, the socialist party, or ÖVP, the conservative Austrian People's Party. NPOs over time worked less together with the church but those who previously had, started a closer cooperation with the Austrian People's Party, ÖVP which led to them having a great influence on Austrian politics (Neumayr et al., 2007).

NPOs and social entrepreneurship have a similar history and origin. It can be said that a social entrepreneurship is basically an NPO, which is self-sufficient. Furthermore, over time more NPOs entered more commercial areas making the social enterprises that developed increasingly diverse. In general, a social entrepreneurship is considered a viable alternative to a commercial entrepreneurship, but a society would have difficulties surviving if there were no NPOs (Crisan & Borza, 2012). A good example for the crossovers between a social entrepreneurship and non-governmental organizations can be seen with the handling of the 2015 refugee crisis. In order to have the situation under control many NPOs were asked for help to place and help the people involved (Kaltenbrunner & Reichel, 2018). Through this crisis however also social entrepreneurship were created, for example "Everyone codes", an entrepreneurship that teaches refugees programming languages to make them fit for the Austrian job market (Steinberger, 2015).

- Definition NPO – Non-Profit Organization

A NPO is a non-profit organization. The term non-profit has caused confusion over time because it is often not clear if a non-profit organization is doing something that makes a profit or if the whole mission leads to no profit. However, there are several non-profit organizations that are well known and make a profit. It is categorized as a non-profit when the goal is social, and the profit made is funnelled back into the company (Nicholls, 2006).

3.4. Enterprises with social ambitions

Firms increasingly see the need for taking on corporate social responsibility, short CSR. This development can be traced back to the 1980s, where environmental issues were more and more considered important to the people and in politics. CSR is considered the least important area of a company by many stakeholders, even though it would increase the appearance of the company in the public eye and its likeability. There were guidelines introduced by the social partners and there have been small improvements when it comes to the CSR of firms (Angerler & Liegl, 2008). CSR is not seen as an excuse in case the company makes a mistake and wants to show that it can do so because they act in some way socially and economically conscious. It is a commitment to show that the company is not oblivious to the fact that there are problems that need to be attended to (Sarbutts, 2003).

However, where is the connection to social entrepreneurship? For a long time, it was considered that an entrepreneurship can only be either socially or financially orientated. When the research behind social entrepreneurship grew it became clear that these two sentiments did not have to be mutually exclusive. Social entrepreneurship orientation has had an influence on firms, which focus mainly on their financial goals. Within the past years, social entrepreneurship has gained more attention because they have proven themselves by showing their ability to have economic success while influencing the current social climate. There are researchers that consider CSR as the social entrepreneur behaviour of financially orientated firms. It is proven that when a firm acts in a socially considered way, the positive results that are garnered can have a passive effect on the financial goals of the firm. Having a social focus as a manager and being successful with it can lead to economic success as well. This shows that when commercial firms have a viewpoint similar to that of a social entrepreneurship this is beneficial on multiple levels. This does not only mean more benefits for the firm but the stakeholder and the group or organization that the firm is focused on to help as well. However, it does not necessarily improve the financial situation of the firm but considering in what regard it can help, the financial aspect should not be the main focus of attention. The influence of social entrepreneurship and the orientation of it are clearly to be seen when considering that more firms are interested in showing their social side. It is not possible to be a firm, that is not in some form socially or ecologically conscious (Gali et al., 2020).

4. Challenges faced by social entrepreneurship in Austria

4.1. The crucial importance of a network

4.1.1. Social capital

According to French sociologist Pierre Bourdieu, social capital is what people accumulate when they built connections. It is usually earned within a social group for example a classroom, a work setting, or within a church. The different aspects of social capital are what make it valuable to possess. There is also a difference between individual and collective social capital, but it has to be emphasized that it can never really be an individual capital due to the fact that there are always at least two people involved. However, individual in this case is another way of saying exclusive and not meant for a group of people. Collective social capital on the other hand describes a larger network of people in form of a society or an organization. Here the capital is not only for one person to solve their own problem but the approach to help solve the problems within the network. In what way everybody, who is connected to each other, is dependent on how much time and effort are put into these connections, how close the parties get to each other and how much they are willing to do for each other, what norms are set by them. Granovetter in 1973 differentiates between closer and looser connections by calling them strong and weak ties. Strong ties are those that are between close friends and family, loose ties are tied between acquaintances and while strong ties are important, the loose ties are crucial for one to be able to build a network and enter new fields. A further distinction between the different forms of social capital can be seen when considering the level of trust involved, whether it is thick or thin trust, so either the trust in people we know and have a connection to or the level of trust we just have for people around us (Rostila, 2010). This type of capital is often not seen as valuable as financial capital, because it cannot be seen or physically held. Assuming, that capital is homogeneous means that it can only increase by adding more of the same. If capital is seen as heterogeneous, it is suggested that different investments can lead to more capital. When looking at entrepreneurship in general, only one form of capital cannot be enough to grow and improve the business, it must be seen as a manifold structure. The same complexity can also be attributed to social capital, and it is not possible to describe it in one way, neither is the use an entrepreneurship can have for it. However, it is true that social capital cannot be measured the way economic capital can be, but this does not have to be a negative. With its different structure, it offers room for entrepreneurial creativity which creates the need to be attentive. When a social entrepreneur needs to know what the community, they want to help, requires, they will examine the community the same way a commercial entrepreneur examines the market to see what must be improved. Both types of entrepreneurs have to understand the context, they are working in,

and this includes the social, cultural, and economic aspects. In the end, it is important that the entrepreneur collects the capital they need for their venture (Chamlee-Wright, 2007). Ludwig Lachmann, an economist born in Germany and part of the Austrian school, to which he contributed a lot of his knowledge, had a theory about the complexity of capital (Fonseca, 2014). With this theory he proves, that people are capable of having more than one motivation and are capable of knowing when one has to be sacrificed to gain the other (for example, buying an expensive smartphone to be available for their contacts all the time). It also shows that the more capital is used the more results can be gained from it. This goes for social capital in the sense that the connections have to be constantly used and kept alive. It can also be applied to economic capital, the more a piece of equipment is used, the better the employees are able to work with it, improving the efficiency of the entrepreneurship. Furthermore, both forms of capital are difficult to manipulate from the outside (Chamlee-Wright, 2007). Having a lot of social capital makes it possible to mobilize several people to help with or improve a situation. Social capital can be bonding or bridging. Social capital is bonding when a group of people share an interest and are close with each other. It is bridging, though, when there is a loose connection. When it comes to bonding social capital fights or disagreements can lead to it being less productive for a social entrepreneur, this problem does not arise with bridging social capital. Linking social capital is a more specific form of bridging social capital and it can help to connect people of different social groups. The downside of linking social capital however is that it can lead to better access to resources for just one group, leading to inequality (Lang & Fink, 2018).

4.1.2. How is a network important for a social entrepreneurship?

As previously mentioned, linking social capital is what motivates people in a network to help. Social entrepreneurs need their network to have a group of people to mobilize so they can make the changes, they feel like need to be made. With enough people or with the right people, it is possible for a social entrepreneurship to change part of the system (Lang & Fink, 2018). Due to the severe results of human-made global warming, floodings are more likely to occur. In order to reduce the effects, there are two possibilities to react: Either with individuals changing the situation of their building or with the whole community working together. Motivating enough people to work together to help each other out leads to better security and a more stable surrounding for the people living in areas affected (Hudson et al., 2020).

Today a lot is happening online, so it makes sense that a lot of social capital is also accumulated over different social media websites. If an entrepreneur wants to enlarge their network, there is a possibility to do so online. For now, the research on this topic is still slim but social media has reduced the barriers between people and corporations more, making it a possible new ground to select more members for a network. Social media makes it also easier to talk to a bigger group of people, thus making mobilizing easier as well (Cheng et al., 2019). There is still not a lot of research on this topic, especially in regard to what influence class and culture of the social entrepreneur have. It is clear, however, that the different stakeholders involved in the social entrepreneurship can shape it to a great extent. Either they contribute with resources, or they have influential power that can push the social entrepreneurship in one or another direction as well as make it possible for them to change the discourse. The social network theory explains this well by showing that actors within a network can either be supporting or undermining progress within the network. This also has an effect on the passing of things like resources, knowledge, or information and how well it gets around (Hazenberget al., 2016).

4.1.3. Why and for whom is it difficult to obtain social capital?

A network surrounding a social entrepreneurship is very important but there are contacts that are more important if the goal of the SE is to make a difference. Not everybody has access to these contacts the same way though (Hazenberget al., 2016). One aspect that is supposed to make the access to social capital fairer, is the access to social media. However, also in this area, the study 'Do the socially rich get richer? A nuanced perspective on social network site use and online social capital accrual.' By Cheng et al. conducted in 2019 showed that it is more likely for the socially rich, to get richer. Furthermore, not everybody has the same access to social media websites, due to the lack or accessibility of the internet (Cheng et al., 2019). This shows that power is usually differently distributed, and the unfairness of this distribution is obvious for a long time. Every social entrepreneurship exists within this network or ecosystem, and it is not possible for them to distance themselves because this network is needed. Another fact that makes a network like this difficult is that many stakeholders must be involved for it to have any success or good working relations. This is necessary for the passing on of information or knowledge. A social entrepreneurship must be able to adapt to the network, in order to get anything from it. The comparative study between the Scottish and the UK social ecosystems showed that social entrepreneurship, although they started at a similar point in both countries, developed differently due to their location. The political aspect, as well as the societal aspect, played both an incremental role in how social entrepreneurship is looked at and what they

contribute. This study named 'The role of institutional and stakeholder networks in shaping social enterprise ecosystems in Europe.' by Hazenberg et al. in 2016 showed what importance it has for a social enterprise to be at the right place, with the support of the right people as well as political backup (Hazenberg et al., 2016).

Garnering and interacting with a network, is a complex task that can easily lead to difficulties or issues. This is one of the results the work with people can have. For a social entrepreneur, it is necessary to balance the interactions between the people they work with, other social entrepreneurs, and their stakeholders. It can also be very risky because collaborating with the wrong partners or making a mistake, can jeopardize the social mission the enterprise previously followed. A commercial entrepreneur also needs a network but for them, it is simpler to identify the needed stakeholders than it is for a social entrepreneur. Nevertheless, it is crucial for a social entrepreneur, to be able to maintain their social ecosystem to move forward, generate financial support and get the needed man- and womanpower (Murillo-Luna et al., 2022). Another important aspect when it comes to building a network for a social entrepreneurship is how important the stakeholders find it as well as how crucial they see the information it brings. Of course, the importance of the mission of a social entrepreneurship does not necessarily mean that the right stakeholders are aware of it however, it definitely helps when the SE can sell its mission well (Granados & Rivera, 2018).

As important as it is for a social entrepreneur to build up the right form of network, there are difficulties for some, especially those who do not have access to crucial stakeholders. Social entrepreneurs that do not have the political connections others have or those who are not able to reach enough people. This could be entrepreneurs that are not born in the country they have their entrepreneurship, entrepreneurs that moved there and do not have the right connections here, or people, who originate from a lower class, not in contact with these important stakeholders. Social entrepreneurs need to be able to garner a network and collect social capital but what about the people that do not have the resources or stakeholders to make social change happen? Social change would be needed in order for their social entrepreneurship to have the impact it should have (Scheidgen & Hruskova, 2022).

4.2. Mismatch focus on solutions

In Africa, there once was a social entrepreneur who founded the organization to make it possible to provide children of low-income households to get access to a computer. The organization was founded with the goal of OLPC, One Laptop Per Child. This gained traction and garnered

the attention of Microsoft and Intel, both wanting to include their software into these computers. At first, this partnership worked but it was dissolved when the founder of OLPC accused to firms to act like they alone were the founders and providers of his SE. It looked like he would have preferred for them to only provide the laptops and software without saying that they were involved. For onlookers, it seemed like he was not interested in making laptops accessible for every child but wanted to be the one to provide them. In general, it can be said, that for a social entrepreneurship it is the best-case scenario if it becomes useless, because the problem is solved and there is no reason for it to keep existing. It shows that can easily happen that a social entrepreneur is too focused on solving the problem (alone) ignoring other, even sometimes easier and more helpful ways to help. In the end, the focus should always be the group of people that needs support and the solution, it should not matter how it was made possible. It is, however, easy to be distracted when focusing only on the problem without considering what the people need (McMullen & Bergman, 2017).

Social entrepreneurship is of course the combination of a social and a commercial focus. They are often seen as purely social actors and it is seen as greedy if a social entrepreneurship is clearly also focusing on their income. It is necessary though for them to also consider what they will earn with their enterprise. This could also be an indicator why a social entrepreneur might not want their business to become useless because then they would be out of a mission and a job.

Another danger in this regard is that it is easy to solely focus on the social goal and assume that this is enough to lead a business. Running a SE, like any other entrepreneurship, requires work in various departments for example marketing or public relations. If a social entrepreneur is only driven by their mission, leaving out the consideration for other aspects this can lead to the entrepreneurship to fail. In the study 'Innovation and profit motivations for social entrepreneurship: A fuzzy-set analysis.' conducted by Evan Douglas and Catherine Prentice in 2019, it showed that many factors that previous studies deemed important, in fact, are not as important. There does not have to be a social aspect behind wanting to find a social enterprise, many social entrepreneurs that were interviewed for the study solely concentrated on the income aspect of it. However, if this is the case there is also another reason as to why a social entrepreneur does not want the problem they were trying to resolve, to be solved. This would definitely lead to them not focusing on the people or their problem but only on the solution they were thinking of (Douglas & Prentice, 2019).

4.2.1. What are the motivations to establish a SE?

The motivation named by most social entrepreneurs has to be that they want to solve a social problem and help their community. Early on it was only NGOs that took on the task of helping people in difficult situations or considering the ecological issues that plague the world. Over time, however, it became clear that there is also the opportunity to capitalize on these issues. This means that social entrepreneurs want to help while simultaneously profiting economically. For this reason, these are different motivations than those for a commercial entrepreneur whose most important motivation is profit maximation (Zahraa et al., 2009).

If asked, different social entrepreneurs are going to give different reasons as to why they wanted to open a social enterprise. However, all of them have one aspect in common: Every social entrepreneurship was founded because people saw a problem that needed to be solved. The status quo was not working in their eyes, or they did not feel satisfied with the handling of groups responsible like politicians or the government in general. When introducing the social entrepreneurship and with it showing that there is a problem that needs to be solved, it can bring up the expectation that it will lead to change, an adaptation of society to this. The possibility of that happening is very much depending on the society and the values and principles of the people in it. To make the adoption of a society of the way a social entrepreneurship works complete, it would have to be institutionalized, and made available for everybody. This is not necessary for every social entrepreneur and an institutionalization is not always the reason why a social enterprise is opened up, but this is one of the ways it could develop over time (Novak, 2020). The biggest difference between a social and a commercial enterprise is the wish to create a social value but there are also independent variables that can influence the decision. There can be the extrinsic motivation, which means the social entrepreneur uses the same ways of doing business as a commercial entrepreneur. Another motivation can be the intrinsic one, where a SE is established because of the feelings of the person starting it. Another form of motivation is the complex motivation, which description is vague at best, but it is said that it is a form that differs from external and internal motivation. Owning or being employed at a social enterprise can also be a form of motivation as well as the fact that start-up capital will be made available. All of these are differently important to the people getting into the business of social entrepreneurship but all of them are considered, one way or the other (Blaga, 2021). However, in the end, the main reason for establishing a SE is the need to help others and improve the general way of living. The study 'Creating for others: linking prosocial motivation and social entrepreneurship intentions.' conducted by Chuanpeng Yu and Baosheng Ye in 2020 concluded

that factors like the wish to be more creative or to have a better work-life balance were also considered. The study conducted by them showed that people who are more prosocial and have a motivation in this regard as well as interest in creative endeavors and are family-oriented, are more likely to become social entrepreneurs (Chuanpeng & Baosheng, 2020).

4.2.2. How can the focus on solutions be misleading?

When talking about social entrepreneurs the general consensus seems to be that they hold the key to a new and improved future. Society itself wishes for this outcome. Before research has been conducted around the topic of social entrepreneurship it was seen as a very neutral topic which changed when more academics took interest in it. This shed light on the fact that it was not black and white. People can have well intentions and still cause more damage than to help in the communities affected. Social entrepreneurs have to assess and figure out the problem at hand before they can propose a solution, and this might not always be the right one. Within the study ‘Sensemaking the ‘social’ in social entrepreneurship’ by Jonathan Kimmitt and Pablo Muñoz in 2018 in which 15 social entrepreneurs were asked to reflect on the reasons as to why they chose to open a social enterprise it was discovered that social problems can either be conformist or reflective, that solutions can either support changes or suppress them, the following strategies either go with what is already practiced or work together with the community and when the solution of the social entrepreneurship was taken on.

In a, for social entrepreneurs, ideal world their enterprise would lead to social change on a level that influences the whole community and improves the lives of everyone involved. However, research shows that this is often not the outcome. Social entrepreneurs view the problem differently than the people affected by said problem because they cannot see it in a neutral light. However, due to this assumption, it is not possible in the public eye to think that social entrepreneurs make mistakes never questioning the social aspect of social entrepreneurship (Kimmitt & Muñoz, 2018).

4.3. Missing ethical aspects within social entrepreneurship

Assuming that a social entrepreneur is ethical solely because of their profession or business, simplifies ethics. In this case, this person does not need to constantly reflect on their ethics and reevaluate them to keep being and acting ethically. The morality of a social entrepreneurship is also depending on the social entrepreneur themselves and what morals they have learned in life (Dey & Steyaert, 2014). It can be argued, though, that different circumstances and influences

change the importance of ethical behavior of the social entrepreneur. How ethical a social entrepreneurship works is also dependent on how ethical the entrepreneur is. Ethical decisions can also be the decision that decides on the faith of the company, which would make it more difficult to choose between the ethical and the unethical option. Due to the fact that the social entrepreneur also has to consider the economic effects of a decision on the enterprise, the ethical choice might not be the best one for the company. Furthermore, research has also shown that a social entrepreneur usually acts according to their own ethical standards, without considering the actual issues one has to deal with. The environment of a business demands a lot from entrepreneurs of any kind, and it is important to satisfy the stakeholders involved. Consequently, there is not always room to consider the ethical aspects (Zahraa et al., 2009). There often is the assumption that when an organization is social it is clear that it is also ethical. The question, the paper 'Seeing social enterprise through the theoretical conceptualization of ethical capital' by Bull et al., 2018 ask, is if this is really the case or if the focus on business stands in the way of that. It did not attempt to answer it but to open up the discussion if it is justified to claim the moral high ground when working in this line of work. The paper stated that a social entrepreneurship does not automatically mean that it has ethical capital. However, the consumers are demanding more ethical products, so it has become a necessity to act ethically (Bull et al., 2008). The paper 'Enterprising Nonprofits" by Gregory Dees made the point that nonprofits often chose to include commercial aspects in their work to keep themselves afloat. This helped them but was a breach of ethics for others, especially those who were part of the organization with all of their heart. Money being involved made it unethical for them (Dees, 1998).

Social entrepreneurship is considered flawless because of they are social, which means they are exclusively here to help, either people or the environment. The assumption is that there is nothing that they can do wrong. However, it is important to also consider that a company with the mission to be helpful does not have to be without fault in any way. The mentality towards social entrepreneurship seems to be very focused on one way, not leaving much room for (constructive) criticism. It is clear, that independently from the original mission, of the social entrepreneur, arising obstacles on the way can influence how the process of the entrepreneurship develops. New laws, extra costs that were not considered, or new developments in the area of the entrepreneurship can lead to a re-evaluation, meaning that even if the project was originally planned to be ethical outside influences can change that plan (Chell et al., 2016). Several theses have different views as to the ethics of social entrepreneurship. Within mission-centricity, it is argued that a social entrepreneurship is a social business and

does everything with that in mind. When looking at integrative economic ethics, in which all economic decisions made by someone are made with their morality in mind, however the viewpoint changes. Here, business ethics are something that has to be established and agreed upon, also meaning that independently from the type of business in question, an entrepreneurship will always do everything in its power to accomplish its goals (Bruder, 2020).

4.3.1. Social entrepreneurship and technological improvement

Moreover, societies evolve and there is now a bigger need for technology, which also evolved. A social entrepreneurship that take on this kind of technology might also not act in an ethical way (Vallaster et al., 2019). How ethical a social entrepreneurship can be with their technological inventions can be demonstrated by some examples. One of them is the invention of skylights by mixing bleach and water in a bottle so people could still do work around the house when the sun has already disappeared for the day while it was the only source of light. There is not a lot of research on the technological accomplishments of social enterprises because journals and the media are mainly focused on big and famous firms. Social entrepreneurship has to balance social and economic benefits meaning their technological developments are also important for them. This leads to the question though: How ethical are these inventions, even when considering that they come from a social entrepreneurship? Another problem social entrepreneurs face is that they often don't have the same financial resources or access to create an innovation. They often also miss the capacities to use "untested technological innovations" because there is nothing to fall back on in case the product cannot deliver what was initially promised. However, it is difficult to measure how ethical the usage of technological innovation of social entrepreneurship is when taking into account that it is usually used to help disadvantaged groups (Duygu & Ozmen, 2020).

4.3.2. What is the problem with SEs not being ethical?

Critics of social entrepreneurship argue that it is already unethical because this type of entrepreneurship is combining two opposing acts, helping people/ the world and doing business. Both types of entrepreneurs, commercial and social, have in some way the success of their business in mind, so it does not matter if they do it for themselves or for others, there is also some form of egoism in their actions. Social entrepreneurs might defend this because they do it for the greater good of their communities but in the end, it is not guaranteed that their actions did not harm anybody.

Social entrepreneurs can be divided into three groups and each faces views the importance of ethics in their decisions differently:

Social Bricoleur

They focus on the concerns of their community. Their enterprises are on the smaller scale and the people that are supposed to be helped are very involved. On the one hand, they are not able to cause great damage but on the other hand, their impact too might be rather small. Ethically this type of social entrepreneur is conflicted because they don't know how efficient their product is, who needs it the most, and especially with the prices they need to set to stay profitable. Social Bricoleurs have difficulties seeing the ethics in demanding money for their products. Furthermore, they are less likely to be part of a big marketplace because the needed opportunism to survive in this environment is not part of their way of doing business.

Social Constructionist

These social entrepreneurs do not only want to help people in need in their community, but they would also like to cause social change with their businesses. The goal they have in mind is what drives them and is also the most important thing for them. As a result, manipulation and other opportunistic behavior are okay for them. Some of them are also not opposed to choosing every mean possible to get the results they are aiming for. This might include lying or not repaying money that was borrowed, egoism as well is seen as acceptable as long as the set goal is reached. This type of behavior however is difficult to explain for them or put into an ethical context. They want to reach their goal but also have to face the consequences of their consciousness of their unethical actions.

Social Engineers

The goal of this type of social entrepreneur is to go even further than social constructionists: Revolutionary change. Rules can be broken if it is for the common good and the alternative is considered to be better for the people that these entrepreneurs want to help. They tend to put their vision ahead of their venture but in the end, these actions are justified because they deem it necessary to do so for societal change to happen. Social engineers are convinced of their mission, are ready to collect the needed resources, and go against authorities to get their way. They are often also very charismatic and difficult to deal with which makes them a challenge. Social engineers want their actions to lead to changes on every level and this is how they defend the actions that might not be as ethical as they should be.

Entrepreneurs who have commercial goals have to follow stricter rules and they are more controlled, social entrepreneurs are not under this type of checks and balances. Missing oversight can lead to unethical behavior that goes unchecked, for example, choice is made to improve their finances and not the situation of the people these entrepreneurs wanted to help initially. Social entrepreneurs are on their own to make sure that that does not happen, they have to monitor the actions of each other (Zahraa et al., 2009). As previously stated, society and media are in favor of social entrepreneurship, especially because of the fact that they are social. What is here often ignored is that the word social does not necessarily mean that the entrepreneurship might not take part in bad actions in order to fulfill their mission. However according to integrative ethics, a mission of an enterprise is not important for its ethics, it has to choose to put ethics in first place at all times (Bruder, 2020).

4.4. Lack of empirical research regarding women in SE

4.4.1. State of empirical research on social entrepreneurship

Over time several research papers and research in general about social entrepreneurship have emerged. Social entrepreneurship has become a field of research many are interested in. Through this development, many open questions were answered, and challenges were uncovered and solved. When looking at the research conducted within the past 20 years a few topics stand out. For example, a topic that was chosen quite frequently was ‘social’ with ‘Social Entrepreneurship phenomenon’ and ‘Entrepreneurial orientation’ as follow-up points. These papers - e.g., Agarwal et al. (2018), Ladstaetter et al. (2018), McMullen (2018), Pasricha and Rao (2018), Muralidharan & Pathak (2018) - focus on why someone chose to become a social entrepreneur and what their goals were and are. Another crucial topic in these research papers was innovation and how it helped social entrepreneurship to help the communities they wanted to help. Several papers also had the importance of the collective for social entrepreneurs as focus point. It was found that this is a crucial aspect to cover because social entrepreneurs are very much dependent on different parts of their collective, more so than commercial entrepreneurs. For example, when it comes to finances, social entrepreneurs have to have a good connection with their supporters. Another topic is the need for them to rely on the people involved with their entrepreneurship. There are also researchers that focus on the need for a good business strategy of the social entrepreneurs, because they do not only have to deliver in the social department but in the economical as well. Finally, an area that has been discussed and looked at by researchers in this regard are the challenges social entrepreneurs face (Gupta et al., 2020). Through research, it has been found that women earn less than men as social

entrepreneurs even though they are basically self-employed. This research has been conducted all around the western world and it has been found that female social entrepreneurs usually have less starting capital, more difficulties to find human capital, and are in general more risk averse. However, in this research, there have also been findings that male entrepreneurs are trusted more often than female entrepreneurs, especially in certain areas like in finance. Women entrepreneurs have also shown to be less interested in entrepreneurial success and are more focused on job satisfaction. It can be argued that monetary gain is not the only important aspect of entrepreneurship and women are more satisfied in their job as social entrepreneurs. For a business to stay afloat, though, a certain guaranteed income is crucial. Society will always be concerned with the gender pay gap, but there is also room for policy makers to influence the campaigning as to how the topic is examined (Estrin et al., 2014).

4.4.2. Missing women in empirical research about SE

Women are not completely absent in these conversations and papers. When it comes to human resources and why women chose to be part of or the leader of a social entrepreneurship, they are represented. These are often named as reason that women want to be part of these enterprises due to their caring nature. However, it can be argued that social context plays an important role when it comes to claims like these. Furthermore, as already stated in this thesis this claim has been proven to be false (Gupta et al., 2020). As an entrepreneur, independent from a social or commercial entrepreneur, there is always an entrepreneurial ecosystem. This ecosystem can be affected by gender as a study shows. This study named ‘An Empirical Analysis of the Factors Influencing Social Entrepreneurship: A Gendered Approach.’ conducted by Ambreen et al. in 2021 also showed that making education on starting an enterprise more accessible and attractive for women it led to an increase in female-owned businesses (Ambreen et al., 2021). In the study ‘Social entrepreneurship education and its association with perceived desirability and feasibility of social entrepreneurship among business students.’ conducted by Kedmenec, Rebernik, and Tomic in 2015 the goal was to identify the following: Did more education regarding social entrepreneurship lead to more social enterprises being founded? Furthermore, has it led social enterprises to be more desirable for students because they encountered it in their studies? The study in the end found that there are crucial factors that have to be considered. The recommendation in the end, was to give more feasible examples and opportunities to get on-the-job experiences. The result was that university courses alone will not be sufficient to explain the interest of more and more people to become social entrepreneurs. However, if the goal is to

do so it is necessary to support the students and make the concept clearer for them. The answer to this paper can also be used to show that if there is too little research on female-led social enterprises that this results in fewer women partaking in them (Kedmenec et al., 2015).

4.4.3. The problem with too little female representation in this empirical research

Considering the struggles of women in this area leads to more support for women in general. There are social enterprises that have as a goal to support and empower women. With more recognition through the help of researchers, this type of entrepreneurship gain recognition which leads to more empowerment of women (Gupta et al., 2020). Women and men have different approaches towards leading a business or an entrepreneurship. Women take on different educational paths and have another amount of human capital when starting or maintaining their enterprises. Often women consider factors in their business that men usually do not have to think about. Having only little research considering women takes away the opportunity for female entrepreneurs to have a role model. There is more and more research about social entrepreneurship, yet women are underrepresented. Due to women and men having different approaches to opening their own businesses, it is not helpful in any way for them that there is a lot of research about how men handle it (DeTienne & Chandler, 2007). In many firms independently from their country of origin, the gender pay gap as well as the glass ceiling effect still play an important role. Women were able, despite the obstacles that are in their way, to archive success in the corporate and entrepreneurial world. However, there is still a lot of work to be done. Many countries, for example, Germany and Austria, are still very much convinced of stereotypical gender roles, which makes it difficult for them to get into better paid positions (Lewellyn & Muller-Kahle, 2018). When looking at the different countries around the world and the growing participation of women in politics it is clear to see, what representation can do. After the first women entered the space of politics, several followed and even though they are not enough yet to always make the policy changes that are needed for them (and the motivation why they entered politics in the first place), the number is growing. This is just one of many examples of why representation matters and why more women need to themselves being represented to follow and make the changes that they want to see in the world (Hessami & Lopes da Fonseca, 2019).

4.5. Leadership difficulties

As previously stated, Austria is home to a high number of SMEs, Small and Mediums sized enterprises. The smallness of a business can often result in their bankruptcy due to different reasons. The entrepreneur could have made a mistake, the ability to get the needed resources could be impaired or other external conditions could have caused the bankruptcy (Mayr et al., 2020). Furthermore, it is important to know what kind of entrepreneurship one wants to lead, so the entrepreneurship orientation in the beginning is needed. Different markers are here to consider, for example, does the enterprise work for profit or is it a non-profit and what is the final mission. Obviously, it is a social entrepreneurship when the goal is a social goal and then it is also a for-profit business. There has to be a social as well as an economic performance (Halberstadt et al., 2021).

The art of being an entrepreneur is today something that can be taught so the education aspect is not a reason for the enterprise to fail. The offer to learn how to do it correctly is there. A lot of new businesses also are failing within the first year so a higher education to prevent that from happening makes sense for many universities that offer that type of field of study. (Ratten & Jones, 2021).

To look at reasons that lead to failure of an entrepreneurship in more detail, there are separated in this section.

4.5.1. Failure because of the management

Several social enterprises also fall into the category of small or medium-sized enterprises. However, when it comes to small enterprises the decisions of the management have different consequences than they have in big firms. Huge enterprises have the opportunity and the money to get important information for their firm. Here it is also possible to employ a whole team to make sure the firm makes the most lucrative choices and makes sure that the firm will not end up in bankruptcy. Bigger firms with these opportunities have it easier to avoid failure than SMEs. When talking about their failed entrepreneurship management is often also forced to look at their own shortcomings, making it clear that other actions might not have led to the bankruptcy of their enterprise. Failure in management is the most common reason for small businesses to fail and this can either be caused by false education, the character of the entrepreneur, or the missing life experience of the person managing the firm. It is crucial to note that when management acts according to their own instincts it is possible to succeed just as well as it is to fail. There is also a difference when it comes to female-led businesses and male-led businesses, because women have to also consider chores in the household, which are

still mainly held by women. Furthermore, when looking at this problem internationally, women are also in many countries not eligible for loans at their banks, leading to them being more risk averse with their money as their male counterparts. Due to the fact that education also plays an important role when it comes to successfully leading a company, the improved access to it is also crucial. Aside from education, experience is also needed, not only in the managing department but also in the area of work where the business is opened. It is more likely for the business to fail when the entrepreneurs are having a business in an area, they know too little about (Mayr et al., 2020).

4.5.2. Limited resources

Not having access to resources makes it difficult to grow or even maintain a business. A group of people that has an easier time in this regard, are older entrepreneurs. Over time they were able to grow their financial accounts, through saving and additionally thanks to more prosperous times (Mayr et al., 2020).

4.5.3. Negative outside influences

When it comes to leading a business there are always risks that have to be taken. As an entrepreneur these risks have to be looked at carefully before acting on any decision that includes potential dangers. Risks can be categorized into two categories: It is either missing-the-boat risk or sinking-the-boat-risk. This means that an opportunity is either missed or not used or a venture of a business is dissolved because it is viewed as not profitable enough. This can also happen if an opportunity is not seen as helpful enough and cannot get the entrepreneurship to the wished-for conclusion. So, risks have to be assessed and put into the right category before considering taking it: Is it a high risk or a low risk? When it comes to the environment the entrepreneurship is in, it is easier to see if risks are predictable or not. Is the entrepreneurship in a stable environment it is more likely that certain situations can be accounted for. However, if the environment is less stable and has a tendency of changing, the risks that have to be faced are less predictable, so as an entrepreneur there are fewer opportunities to prepare accordingly. The enterprise also has more difficulties developing in this kind of environment, because it is harder to take risks without facing extreme consequences. Another important aspect an entrepreneurship has to consider is how knowledge is transported. Knowledge itself is crucial for the success of every business. However, if the transferring of it is disturbed (either by accident or due to bad intentions) or completely cut off, something important for that enterprise is missing.

Furthermore, the access to education plays a crucial role when it comes to leading a successful business. Even though entrepreneurial education is not always clearly defined it is still well-known that entrepreneurial courses are needed to avoid a business to fail. However, the educational offer for entrepreneurs does not only have to be accessible for everyone, but different environmental situations also cannot be left out of them if the education is supposed to be helpful. Especially in the case of social entrepreneurship, the government needs to make sure the environment and the opportunities for higher education are improved. Politicians have the power and money to improve the situation for these entrepreneurs (Bansal et al., 2019).

5. Methodology

5.1. Social enterprises in Austria

The social enterprises that were interviewed, are mainly in Vienna and Graz situated. The following enterprises were interviewed:

Sindbad-Mentoring for Teenagers: This Viennese social entrepreneurship helps teenagers with difficulties in their educational path to get a mentor between the ages of 20 to 35. These mentors are supposed to help their mentees, to plan out their next step, talk to them about their future and help them with their scholarly difficulties.

Heidenspass: This is a social entrepreneurship in Graz that works together with young people by upcycling different products. Founded in 2006 they understand themselves to be providers of a healthy, accessible place of work for teenagers that would otherwise have nowhere else to go.

Magdas: A social entrepreneurship that provides workplaces and places of education for people in need. With their businesses they make work accessible for migrants, disabled people, and everybody who has not had work in a very long time. Their projects for people to work at, are the magdas HOTEL, magdas RECYCLING, magdas ESSEN (translation: magdas FOOD), and magdas REINIGUNG (translation: magdas CLEANING).

Atempo: This social entrepreneurship is located in Graz and helps people with disabilities and learning disabilities to find a way into work. They focus a lot on digitalization and how to make it possible for everybody to have a dignified way of living, learning, and working.

Soilful: This social entrepreneurship in Vienna works together with corporations to introduce vegetable farms within them. The goal is to make them part of an ecological concept and future and provide the people working in this corporation with fresh vegetables and fruits. The farm is also there to provide a place for community, relaxation, and togetherness (for example for parties). It is to help businesses and the workers get more in touch with the food they consume and nature itself.

Green Lab: This Viennese social entrepreneurship employs young people that have recently concluded their education but are far from the labor market. The focus lies on landscape architecture and urban planning, where the employees with construction apprenticeships get to know the labor market and what it means to be employed. GreenLab works together with the district management of Seestadt but because it focuses on urban city planning, they also work

where they are employed, so in every district in Vienna. The young people, who are freshly finished with their education, work under supervision.

RespondEco: RespondEco works together with companies that want to make themselves and their products more sustainable. There is too little sustainability, and they connect these corporations that want to improve with providers that can help them achieve that. They are also eager to contribute to the 17 goals of sustainability that were agreed upon by the EU Member states, as their mascot SDGbra shows.

ArbeitPlus: This is a social entrepreneurship that exists for over thirty years and is situated everywhere in Austria. They offer consultation and support in different ways to help people (re-)enter the Austrian labor force. The people that ArbeitPlus helps are either employed at companies that are members of ArbeitPlus or they receive training and workshops. They work together with the Austrian service for jobseekers too, being able to provide their services to help people in need.

Social hub Styria: The social hub Styria is a network of social enterprises that work together. Social entrepreneurs become part of the network and are then able to connect as well as exchange information. In case there are questions, or they are in need of help in any way, this hub makes it possible for them to have other entrepreneurs to talk to. Social hub Styria made it a goal to help people in their network to be successful.

SENA: Social entrepreneurship network Austria is also a hub, situated in Vienna, here to connect social entrepreneurs all around Austria to support social change and improve the situations for everybody in their network. They publish important studies for others to get a better picture of what social entrepreneurs are and provide seminars where social entrepreneurship is closer explained. There is also the possibility to book a private session for people who need more information.

To get a clear overview of the situation in Austria 10 organizations that work within social economics, 7 social enterprises and 3 social entrepreneurship networks, were interviewed (see Figure 5). 5 of the interviewees were women, 5 were men so there were different viewpoints taken into consideration. Everybody interviewed is part of SENNA and their contact information can be found on their website. Eight of the entrepreneurs contacted confirmed via mail to the interview. Two entrepreneurs agreed to the interview after Matthias Lovrek (Sindbad) contacted them. In total 35 social entrepreneurs were contacted and asked for an interview. Mostly there was no response, partly it was explained that they receive so many master thesis interview

requests and that it is not possible to agree to every interview, so they also had to decline mine. Each interviewee agreed to being recorded and the interview than being used for this thesis. The enterprises chosen all worked in different economic areas and considered a different social problem. The reason for that was to see if the problems talked about occur independently of area of business.

Name SE	Name of the Interviewpartner	Gender	Interview duration	Position	Interview mode	Education	At / Founded the firm since / in
Sindbad	Matthias Lovrek	M	24 Min, 40 Sec	Managing Director	Online (via Skype)	Law Social & vocational education	September 2016
Heidenspass	Silvia Jölli	F	26 Min, 36 Sec	Founder / Management	Via Telephone	Business and economics	October 2005
magdas	Gabriella Sonnleitner	F	25 Min, 04 Sec	Founder / Management	Online (via Skype)	German studies	June 2015
Social hub	Rüdiger Wetzl	M	36 Min, 01 Sec	Management	Via Telephone	Civil Engineering	March 2018
Soil ful	Stefan Faatz-Ferstl	M	38 Min, 16 Sec	Co-Founder	Via Telephone	Innovatice consulting	March 2021
Sena	Constanze Stockhammer	F	32 Min, 24 Sec	Managing director	Via Telephone	Musicology & Social Management	February 2019
atempo	Klaus Candussi	M	23 Min, 45 Sec	Founder / Management	Online (via Zoom)	Landscape architecture	March 2000
Green Lab	Alexandra Fellingner	F	27 Min, 46 Sec	Founder	Onsite	Design innovative	January 2022
ArbeitPlus	Christine Newald	F	28 Min, 38 Sec	PR and Lobbying	Onsite	Political science	February 2022
Respond eco	Jan Draxler	M	31 Min, 29 Sec	Founder / Management	Online (via Zoom)		January 2019

Figure 5 Overview of interviewed social entrepreneurs

5.1.1. Results

5.1.1.1. Crucial importance of networks

Every interviewed social entrepreneur is part of a network. Everybody stated, they were part of SENA – social entrepreneur network Austria – apart from also having their own network. The most important reason for them to be part of an official network is support in case they have a problem or questions parts of the network have more experience with. The support system is used both ways too, other parts of this network can contact the asked social entrepreneurs as well, if help is needed. This is also a crucial point for every social entrepreneur network organization that was interviewed: The most important benefit they bring to social entrepreneurs are the connections they make accessible for them. There are also differences when it comes to the kind of benefits said interview partner derives from networks. Social entrepreneurship organizations for example not only use it to improve the network of their members but also to know who they want to keep supporting. If there are two social enterprises with the same goal, the one that is taking it less seriously and uses the social entrepreneurship label only to improve its image, is excluded from the funding and support. A benefit that was also mostly agreed upon was that to make change happen, a network is needed because it means there is an increase in numbers. The social enterprises that were talked to all confirmed that they also have a separate network they built themselves, through their time living in the city their business is in. Family, friends, connections that were made at university or through

different associations they were part of. So, the problem of not everybody having access to the same network was mostly confirmed. For formal networks it should not be a problem as long as the requirements are met, this is the general consensus, however, it was pointed out that without the right people or the right connections, it is difficult to get the information about said networks or requirements. It was mostly agreed upon that it is more difficult to build a network (outside of the formal ones) when entering Austria as a foreigner. The counterpoint that was brought up was that digitalization and how COVID-19 shifted networking events mostly online made it easier accessible. However, for that it is also important to already know some people that have access to this type of network for being able to profit from it, also online. In conclusion, it can be said that everybody that was interviewed agreed that a network was necessary and there was also an agreement about the fact that not everybody has the same access to a network, giving different reasons for this, though.

5.1.1.2. Mislead Focus

Partly the persons interviewed agreed that the statement “A social entrepreneurship’s goal is to no longer be necessary” would be a dream, partly they disagreed with this sentiment. However, the opinion that close to everybody held, was that it is unrealistic and thought too small. Of course, the goal is that the problems of the world are solved to the point that the social entrepreneurship is no longer necessary, but for that, the problems they took on, are too big and multilayered. Another point that was brought up in this context was that no business has as a goal to make itself useless, so if one of the smaller problems is actually solved, a new problem within this realm is taken on. The general consensus was that the problems taken on were too big to assume that the social entrepreneurship becomes unnecessary within the lifetime of the social entrepreneurs. In general, almost everybody also agreed upon the fact that it can easily happen that people lose the focus on helping people and solely concentrate on the economic aspect of their entrepreneurship. Everybody who did not agree with this statement, clarified, that with their enterprise they concentrated on their target group, it would not make sense for them to lose them out of sight because they work so closely together with them. Partly it was also brought up that it can happen that a social entrepreneur forgets about the people they wanted to help because of focusing only on parts of the problem instead of the whole issue, was brought up. So, for example, instead of finding ways of solving the homeless crisis, the focus is on helping homeless people to find shelter. The critique here is that the focus shifted away from the original reason why the social entrepreneurship started to lock in on a smaller issue. The solutions that were mentioned for that within the SEs that were interviewed were that they

either reflected on their actions or had fail-safe mechanisms in place, so a shifted focus was not possible. However, there were partly statements that they know of social entrepreneurs that this loss of focus happened to. Every interview partner stated that they believe their social entrepreneurship leads to some form of social change, even if they state it is just in a small way, it will be very important for them to keep that in mind. Losing focus, concentrating on small problems or solely on economic gain, leaving the social aspect out of the picture, will be an issue they have to concentrate on. A point that was brought up in this regard was the lack of funding and with that, the need to only see the economic aspect was raised. None of them, though, believed themselves that they could fall into this category due to the precautions they take to avoid it.

5.1.1.3. Missing ethics in social entrepreneurship

Every interview partner stated that for them working ethically is important, but the opinions split when it came to how they worked ethically. However, everybody agreed on the sentiment of working as ethically as possible, which some found easier to say than others. Finances played a role in not always acting as ethically, some also stated that when push comes to shove the social goal would be more important than the ethics behind it. Reality is something that has to be kept in mind when working in this area of business. There are still certain choices that were recalled that can be seen as working as ethically as possible, for example not ordering from Amazon or not providing company cars but tickets for public transport. Several of the social enterprises and network organizations that were interviewed stated that they take on the SDGs (Sustainable Development Goals). A respectful and helpful working environment also is a priority for all of the SEs talked to. Mostly it was agreed that working as ethical as possible is crucial to stay credible as a social entrepreneurship. It is not possible to solve a social problem by creating another one and people would not be convinced by the message anymore if the entrepreneurship behind it only partly stays by its word. When buying from a social entrepreneurship it is also expected that certain ethical rules are followed, as the SEs, that were asked, feel. They partly think that they have more ethical rules they have to follow than a commercial entrepreneurship. 'Classical' businesses are met with more understanding that they have to make a profit and that they cannot always take the most ethical route. However, this is the opinion of only a part of the interview partners. Others say that better and more ethical behavior is expected from everybody, regardless of the type of business that is run. Furthermore, that is not only an expectation of some of the customers but also something that is expected by law. Here it can also be assumed that it is taken on more favorably by the general

public because it is not an NGO that claims to be and act better than the rest, telling them how to improve themselves. It is a business in the economic sector that is closer to them, making it easier digestible for people that don't focus on every social problem. Partly it was clarified that this is maybe a situation the economic world is in right now but there are already steps visible that go in the direction of change. Commercial enterprises are not excluded by most of the interview partners, even if they agree that there are more expectations regarding social entrepreneurship, there are still consequences waiting for commercial entrepreneurs if they are not acting ethically at all. All the interviewed SEs are certain, however, that ethical behavior is important in this line of business and impossible to work in one without this kind of behavior.

5.1.1.4. Missing women in social entrepreneurship research

That there is a high number of women working in the social area as well as a social entrepreneurship is not surprising. However, everybody interviewed was asked how often they see women in leadership positions in a social entrepreneurship and mostly this was answered that there was the impression that women are more often seen in leadership positions when it comes to social causes. The formal networks point to the fact that they measure the increase of women in this area and formally this is clear. Some also pointed out, though, that even though women are more and more founders of social enterprises, the risk for them of burning themselves out without enough pay, is imminent. The risk of social entrepreneurs and people working in social enterprises to not take care of themselves properly is clear and known. Some of the interview partners also said that for women the economic aspect plays less of a role which leads to them not making as much as their male counterparts. When looking at the official numbers, the number of female social entrepreneurs is almost the same as male social entrepreneurs, but the danger that was made clear is that women are less likely to take on higher risks or demand higher pay. The social entrepreneurs were also asked how they saw the stated increase of women in this regard which again brought mixed answers. Partly they could see it clearly (partly because there was a preference for working with women), partly there were still more men in these positions. Furthermore, women were often not in the management positions (as recounted by the people asked) but in advisory positions. It was mostly agreed upon that the social entrepreneurship space was mostly women-friendly, however it has still connections to the start-up world. This is a male-dominated area where a few of the interview partners agreed that women are not as cut-throat as men which can make it harder, in their opinion, for them to succeed. The question was also about the research of social entrepreneurship in general and to that, almost every interview partner agreed that there was some importance to staying informed

about the empirical research. It played somewhat of a role for every social entrepreneur interviewed however, it was also stated that it painted a false picture of what the world of social entrepreneurship in Austria looked like. Another observation when asking this question, was that the female social entrepreneurs did not answer as definitely as their male counterparts did. The women asked were not as certain if more women actually meant that they were represented better or that the space can be considered more female-friendly. Also, they gave more inside and background information that they often work with women that are not as focused on their benefits, solely on what they can do for the people the social entrepreneurship they want to work for. Most, regardless of gender, would agree that there slowly is a shift, but the female social entrepreneurs still miss a number of women in certain aspects of the (social) entrepreneurship realm.

5.1.1.5. Establishing social enterprises

When it comes to the importance of practice most of the interviewed parties agreed that it is definitely needed for a social entrepreneur. So, there was a lot of agreement with Muhammad Yunus and his statement that business students should receive hands-on education in a social business to have it easier to open one up themselves. One of the reasons for disagreement was that nobody should be forced to work there (if they don't want to). It was also brought up that it would make more sense to work together as a team where one party takes on the economic responsibilities and one the social ones. However, most interviewees agreed that university lectures are not enough. Partly they are already working together with universities which, in some courses, made it mandatory to have an internship at a social entrepreneurship.

For opening a social entrepreneurship, though, resources are needed and from the interviews, it was clear, if a SE does not have access to investors (for example the church-owned Caritas), these resources are scarce. There are possibilities to receive some funding from the state of Austria but not more and according to the asked parties it is not a lot. There are still certain barriers that make it difficult to establish funding and partly the reason was seen in the missing legal form a social entrepreneurship could take on. It was still seen as too unclear what it means exactly to be a social entrepreneur, and this is seen as a big reason as to why there is not enough funding or support. The other aspect that was named is also the missing attention for social entrepreneurship. Too many people are not aware as to what "social entrepreneurship" means, do not know that there is also a business aspect to it, and think that these businesses are NGOs to help people get out of difficult situations. The vast majority was in agreement that it needed more awareness from the outside. There is also an agreement on how important outside

influences are. Political decisions can bring great relief for a social enterprise or many problems. Acceptance from society and the agreement that these enterprises are valuable also have a great influence on funding and support. An improved funding system would be needed in the opinion of most of the social entrepreneurs that were talked to. For those who are in this type of business for longer, they see improvement but partly it was also remarked that internationally there is a better support system. Reason for that is that the number of investors in Austria is smaller than in other places and social enterprises are not chosen by some people to be supported just on a whim, as it was stated.

5.1.1.6. Biggest problem according to the social entrepreneurs

To conclude the interviews everybody was asked what in their opinion was the biggest problem of social entrepreneurship in Austria. The problem that was named by most people was the missing visibility of social entrepreneurship and that society does not know what this type of business is. Misconceptions or not being aware as to what it does, makes it difficult to receive resources and support in general. The fact that it is partly still considered a niche area of business makes accepting it harder and pushes many of these entrepreneurs into burnout, as it was stated in part. One interviewee also stated that it was difficult to find motivated people that fit with the company mission which is also connected to missing visibility. Finances were not marked by many as a problem, but it was stated that every company has its own challenges, so for some funding can make a big difference. Throughout the interviews it was stated a few times that Austria is not a start-up-friendly country, so difficult bureaucracy is also considered as one of the bigger issues by the asked parties.

5.1.2. Summaries of the interviews

The expert interviews were conducted without a problem, every participant answered the questions to their best knowledge. The questions on the importance of a network were answered very similarly: It is crucial, a lot of involvement in these networks is beneficial and not everybody has the same access to them as those who are born and raised in Austria. Partly there was more emphasis put on an area of the network but in general, there was an agreement. Most of the participants agreed on if the focus of a social entrepreneur can shift, too. The overall opinion in the interviews was that a social entrepreneurship has too big of a mission to be 'not necessary' anymore. Furthermore, all of them agreed that their enterprise and the solutions they have found can lead to social change. This attitude could lead to them losing the people they intend to help out, of sight. According to the interviewed parties, however, this will not be the

case. Ethically there is also an accord that the enterprises work as ethically as possible but also the admittance that this does not mean the same for everybody because some have more money at hand than others. From the outside, there are expectations regarding their ethics, which are partly taken into account but mostly they have the opinion that they act as ethically as possible. This is the case not because the customers want them to be ethical but because they see it as part of their job. The questions regarding women in empirical research started by finding out how much female representation can be seen by the social entrepreneurs and here the answers were very mixed. In general, there was the agreement that there were not enough women in leadership roles and representation roles. This can be seen as a reason as to why women are less empirically researched: they do not stand out. Empirical research was seen as crucial, for opening a SE and for decisions made within leading this SE. The questions about the difficulties of leading a social entrepreneurship in Austria were also answered very similarly. It was mostly agreed upon that a more hands-on education was important when opening a social entrepreneurship as well as that there are not enough resources provided by the Austrian government. Also, the outside influences were also seen as influencing them, when they had to make a decision but also when it came to what they were able to do. Especially political changes were named here.

5.2. Politicians of the Austrian green party

5.2.1. Introduction of the politicians

Vahide Aydın (Vorarlberg)

This politician is a member of state parliament and a spokeswoman for work, integration, migration, human rights, inclusion, sport, and community services. She is an active part of the green party in Austria since 2009 and since 2000 she works as a social worker at the Institute of social services (Die Grüne Alternative Vorarlberg, 2022).

Mag.a Judith Pühringer (Vienna)

Today the city councilwoman in Vienna was managing director of the social entrepreneurship network ArbeitPlus from 2004 until 2020. She also takes part in teaching activities at FH Campus Vienna and supervises master theses about and around social work and social economics. She focuses her work mainly on social politics and youth unemployment (Meine Abgeordneten, 2023).

Dr. in Elisabeth Götze (Vienna)

Dr. Götze is a member of national council in Vienna. She started her political career with the green party in Lower Austria (Parlament Österreich, 2022). As a speaker for economics innovation and cities as well as municipalities she represents her voters in a number of committees. Economics is a topic that lies close to her heart (Die Grünen, 2023).

Bernhard Weber (Vorarlberg)

Since 2019 Bernhard Weber is a member of the parliament in Vorarlberg for the green party. The green party is part of the government of Vorarlberg for the second time and again with the People's Party of Austria (ÖVP). Bernie Weber is part of this coalition for the first time. He tends to a variety of topics but mainly to these three: arts and culture, regional planning, and economics. His job before that was entrepreneur and he still has his own marketing agency in Dornbirn, Vorarlberg (Die Grüne Alternative Vorarlberg, 2022).

Zeliha Arslan (Innsbruck)

The local councilor in Innsbruck is a member of a variety of committees, committee of education, society, and diversity as well as the committee of housing allocation. She is originally from Germany and has a long history of working in the areas of racism, emigration, and escape. Since 2018 she works as a local councilor in Innsbruck. Her goal is to improve the future and make it possible for everyone to live equally (Die Grünen Innsbruck, 2023)

The politicians interviewed are all members of the green party in Austria and all of them have connections to social economics. 5 politicians were contacted by me, two of them referred me further to a colleague they deemed more educated on this topic. However, all of them responded positively to my request. The interviews with Dr. Götze and Mag.a Pühringer were held in Vienna, the remaining three interviews were held over Zoom, due to time restrains (view figure 6).

Political party	Name of the Interviewpartner	Gender	Interview duration	Position	Interview mode	Education	In office since
Green party	Zeliha Arslan	F	27 Min 47 Sec	Local councilor in Innsbruck	Via Zoom	Political Science	2018
Green party	Vahide Aydın	F	33 Min 07 Sec	Member of state parliament	Via Skype	Social work	2009
Green party	Mag.a Judith Pühringer	F	30 Min 20 Sec	City councilwoman in Vienna	Onsite	Business administration	2021
Green party	Dr. in Elisabeth Götze	F	30 Min 37 Sec	Member of national council in Vienna	Onsite	Business administration	2015
Green party	Bernie Weber	M	36 Min 18 Sec	Member of the parliament in Vorarlberg	Via Zoom	Apprenticeship musician	2019

Figure 6 Overview of interviewed politicians

5.2.2. Summaries of the interviews

The five politicians of the green party were asked how the situation for social entrepreneurs can be changed in their opinion and how far they saw politics in Austria as responsible for these changes. The questions are based on the interviews with the social entrepreneurs, what they viewed as big challenges, and where they wished for change. So, the questions for the politicians were how to make the general public more aware of social entrepreneurship, how to make networks more accessible for everybody, how to make leadership positions more interesting for women, and how to improve the funding landscape. The politicians that were talked to are from different regions of Austria: Vienna, Innsbruck, and Vorarlberg so they were able to give different insights regarding the regions in which they are governing.

5.2.2.1. Awareness

When asked how to make social entrepreneurship more feasible for the general public, all of the asked politicians admitted that there was still too little awareness. Many people, they admitted, when asked, if they knew what a social entrepreneurship was, are still badly informed or not informed at all. A sentiment everybody agreed upon was that there is more publicity needed, that it needs to be part of the conversation. Also, when asked if politics needs to get involved to make it more popular, the answer was always yes, partly the answer was that it is also the responsibility of the social entrepreneurs to make everybody more aware of them. They had different suggestions as to how publicity can be improved. One believed that was mentioned was that this topic needs to be personified, so, a politician has to make it to their topic and push for more attention. Another point that was brought up was that now is the time to demand more, to use the momentum social enterprises have. Also, to join together to do so. All of them agreed that media attention will be needed for an increase in awareness. There was also the statement that a clear definition is needed and that this is still missing. The part that is made difficult here is that without having a clear definition it is also unclear how much profit these social enterprises are allowed to make, if any. Another advantage of having more awareness within the public, according to one politician, was if social entrepreneurship was part of the economic playing field. This would legitimize it even more and would give this area of entrepreneurship more of a lever to ask for what they need. More media attention would make them more widespread as well, so that, for example, in Vorarlberg there would be more social enterprises. Right now, there are close to none. Compared to other countries in Europe it is harder to establish and run an entrepreneurship and this was also criticized by some of the social

entrepreneurs that were talked to. All of the politicians agreed that the topic still receives too little attention but most of them also made clear that a lot has changed within the past decades. Social entrepreneurship was completely unknown to most people and is today recognized as a company that has to be taken seriously.

5.2.2.2. Network accessibility

The politicians that were interviewed admit that there is change needed. There is almost a complete agreement on the fact that the access to these networks needs to have fewer barriers. One point that was made was that there should not be any attending fee when it comes to introduction events of these networks. An alternative to this idea was that these fees could be taken on by the public. Here it was also mentioned that the public should be made aware of social entrepreneurship to increase the willingness to contribute to their success. Another point that was made was that people are not referred to the right places. The example that was given was that if somebody wanted to open a social enterprise and went to the Austrian chamber of commerce to ask for advice, they would probably not refer them to the correct contact. Most likely because they did not know themselves who they need to refer to. This here is the result of too little information. There has also been the argument that if there was more awareness of social entrepreneurship general support would be easier not only to get but also to receive. A point that was made was that if people knew the importance of them, they probably would get more help to get started and establish themselves. Another point that was made was that many of the smaller entrepreneurs are too timid to ask for support or even know where to start asking for it. Almost all of the interviewed politicians agreed that it was easier for bigger cooperations to ask for and receive political support and that it is important to make it easier for SMEs too, a category most of the social enterprises are part of. When it comes to the official networks there also the idea came up that something like SENA should have a branch in every federal state of Austria to increase the accessibility of these networks. Another point that was brought up was the importance of stakeholders to support the business. For them as well as for the customers quality control was needed for everybody to be sure that the business was really working in the best interest of everybody. Many of the interviewed politicians also agreed with the statement that Austria is bureaucratic, and it is difficult to establish a company here. As an example, it was explained how easy the process of founding a company seemed in Liechtenstein.

5.2.2.3. Women in social enterprises

When asked how to make leadership positions in social enterprises more accessible for women, the interviewed politicians first explained what they thought the problem with sexism in Austria is and that it is very much alive and prevalent. One politician spoke about the importance of an internal quota, a willingness of social entrepreneurs to fulfill a quota they set for themselves. All of them are of the opinion that parity is an important step in the direction of equality, one even stated that social entrepreneurship is groundbreaking because here double spike is common practice meaning. This means a man and a woman founded and lead the company. Another politician, when asked the question, remarked that women are still not very visible enough and that is why they and their needs are often forgotten. Due to them still taking on most of the care work and this not being considered when it comes to women in the workplace, they are often left behind and not considered for more important roles in a firm. What is important here is to help women to get more attention and for women to demand more attention. This was a point from another politician who saw the necessity of supporting women but also the need for them to demand better positions.

5.2.2.4. Funding landscape

The funding aspect was discussed, almost all of the social entrepreneurs in one way or another so the politicians were asked how they viewed the funding landscape and if they thought the government would change it. All of the five interviewed politicians agreed that there can be more done financially for social entrepreneurs. A point that was brought up was the fact that in Austria there is enough money to support and fund young farmers by the People's Party so there has to be also money for social entrepreneurship. Three other politicians stated that there are already some forms of funding and support but also that there could be more. There was also again the importance of finding one politician who makes social entrepreneurship to their 'topic' mentioned. It was generally agreed upon that social enterprises do important work for the community and that the need to be compensated for their work fairly. Investors were also mentioned but also the problem with them: There is only a small number of them, and they decide always on the same type of projects to fund. The necessity of a legal form was also mentioned, and that the SENA label might not be enough to generate the funding many social entrepreneurs are hoping for. Another point that was highlighted was that visibility is also in this aspect very important. More people need to know about social entrepreneurship so the financial support can come in more easily. There was also the argument for social entrepreneurs

to group together and demand in unison more financial support. How far the development of funding for social entrepreneurship has come was mentioned again, and also the need for the push for more.

5.2.3. Results

The politicians that were interviewed are aware of the challenges that social enterprises face and were also willing to entertain possible solutions. Every interviewed politician agreed that something has to change about the awareness of social entrepreneurship by the general public. When it came to the question of how this challenge can be tackled, there was an agreement on giving it more media attention but also that politics have to pick it up as a topic that needs to be pushed. A specific person, city council, that takes on the topic was an idea. When it came to the networks there was also an agreement that the entrance to them should have a lower threshold. Partly this is seen as the responsibility of politicians but partly it is also seen as the responsibility of the social entrepreneurs themselves. The question how to make the social entrepreneurship space more women-friendly the answer was mainly that the enterprises themselves have to make this a priority but also that women have to learn how to stand up for themselves. Another important point that was brought up was that if many of the social entrepreneurs have a parity system of leadership then this is a good start, something other, more commercial enterprises should take as an example. The small funding landscape was also admitted to being a problem by the politicians. Here it was very clear that everybody was of the opinion that there is money that could be spent on these enterprises. Here again, the opinion came up that it is partly the government's responsibility to make sure this money is fairly distributed but also the social entrepreneurs have to demand more money. There was also often the statement that a lot has changed in the past decades but also that there is still a lot to be done.

6. Discussion

6.1. The challenges

For a clear discussion, this part will be divided by the challenges that were discussed. For each challenge, it will be stated what the key findings were.

The first challenge is the importance of a network for social entrepreneurs:

In the paper Rural social entrepreneurship: The role of social capital within and across institutional levels Lang and Fink remark that in order to change a system, a high number of people is needed (Lang & Fink, 2018). When talking to the social entrepreneurs this viewpoint was in part confirmed by them. The importance of change happening was more focused on by social entrepreneurs that are in this area for multiple years but there was a general agreement when it came to this point. This was also supported by some of the politicians that were interviewed, that if social entrepreneurs want change to happen it will be very important to work together. Something that was also stated was that if there was a growth in numbers, it would be easier to demand more from politicians and the government.

Throughout the literature review, the paper 'Do the socially rich get richer? A nuanced perspective on social network site use and online social capital accrual' written by Cheng et al. in 2019 considered the possibility of social media. This paper showed the possibility of reaching more members for network-related activities (Cheng et al., 2019). This was also stated by one social entrepreneur who saw especially the lockdowns and forceful move to online meetings as helpful. In their opinion, this development made different networks more accessible and also increased the range.

The paper 'The role of institutional and stakeholder networks in shaping social enterprise ecosystems in Europe' by Hazenberg et al. in 2016 discussed the relevance of having a large network and at the same time about how difficult attaining this network can be for different people. (Hazenberg et al., 2016). These findings were supported by every social entrepreneur that was interviewed. Some were surer about it, some less but in general everybody agreed that an extended network is not easily obtainable for everybody. The importance of SENA was highlighted because it has the power to bring these social entrepreneurs together. This way they can help each other and find ways to support each other's businesses. The importance of SENA and the fact that it is difficult for some people to build a network was again supported by the interviewed politicians. Here it was remarked that the barriers people that want to enter face,

need to be lowered. Here it was on the one hand stated that the costs for entering should be taken on by the public and on the other hand that the information system needs to be improved.

So, the key finding regarding this point is that networks are crucial and through the growing relevance of social entrepreneurship outside or public help will be needed. If certain fees would be taken on by the public, the establishment of a network can become more accessible.

The second challenge that was focused on was a mislead focus on a solution.

In the paper titled ‘Social Entrepreneurship and the Development Paradox of Prosocial Motivation: A Cautionary Tale’ by McMullen and Bergman the authors analysed the danger of losing the original goal out of sight and only concentrating on the solution that was set (McMullen & Bergman, 2017). Here the social entrepreneurs mostly agreed that this can happen and to prevent it from happening certain fail-safes have to be in place to avoid this outcome.

The author Blaga talked in their study in 2021 ‘An empirical model of motivation for social entrepreneurship’, determined the different motivations a social entrepreneur has when it comes to establishing their business. They continued by stating that this motivation is what keeps them moving forward and keeps them engaged in their business (Blaga, 2021). When it came to the motivation in the interviews and the statement ‘The goal of a social entrepreneurship is to become irrelevant’ most of the entrepreneurs stated that this would be a dream but not possible. The reason here is that the goal of solving a social problem is too big so just because one aspect is resolved does not mean that a social entrepreneur will not continue to tackle further problems.

Jonathan Kimmitt and Pablo Muñoz also talked in their paper ‘Sensemaking the ‘social’ in social entrepreneurship’ about the importance for social entrepreneurs of constantly reflecting on the solution they have come up with. This is important to make sure that the people that should stand in focus, are not forgotten (Kimmitt & Muñoz, 2018). This statement was affirmed by the social entrepreneurs. It was brought up that only part of the problem is trying to be solved and not the bigger underlying issue.

The key finding for this chapter is that social entrepreneurs see this as a danger but that it is the responsibility of the entrepreneur to make sure that the target group does not fall out of focus. This challenge was not discussed with the politicians because it was mainly seen as the task of an individual to take care of.

The third challenge was the potential for missing ethics when it comes to SE.

Chell et al. in their paper ‘Social entrepreneurship and business ethics: does social equal ethical?’ remark that they found that for many people social is a synonym for ethical. They argue however that being a social entrepreneurship is not enough to guarantee ethical behaviour (Chell et al., 2016). When asked the social entrepreneurs claimed to act as ethically as possible. That does not mean the same for every entrepreneur individually, some have more money or other contacts to guarantee that. They have been, however, mostly of the opinion that it is necessary to act as ethically as possible regarding the line of work they are in.

Another aspect of this challenge was that commercial enterprises do not have to follow the same strict ethical rules that social entrepreneurship has to follow. The monitoring of the actions is expected to be stricter (Zahraa et al., 2009). Here the opinions of the social entrepreneurs again differed because for some the answer was a clear yes but others argued that ethical behaviour is expected from everybody, independently of their line of work. One point that was brought up was certain ethics are expected by law which means that it is not expected from the consumer to make sure a business is ethical.

Lastly, it is argued by Bruder in their paper ‘A Social Mission is Not Enough: Reflecting the Normative Foundations’ that every social entrepreneur has to check if their way of acting is in accordance with ethical standards (Bruder, 2020). Here all of the social entrepreneurs that were interviewed agreed that they themselves have to make sure they act ethically. Some stated that they had the sustainable development goals set by the EU as blueprint for how to act ethically, others have their background with working with NGOs or Caritas. All of them agree that ethics is important to consider and cannot be forgotten.

Politicians were also not interviewed on this area because here the social entrepreneurs were again of the opinion that it was their own responsibility to act ethically. However, an insight that was brought to light here was that today it is expected from everybody to act ethically, independently from the kind of enterprise. The public might be more forgiving when it comes to a bigger company and its need to make a profit but there is still an expectation and today there are also laws that guarantee ethical actions.

The fourth challenge is what impact women missing in empirical studies on social entrepreneurship have.

In the study ‘Do women earn less even as social entrepreneurs?’ by Estrin et al. in 2014 it was argued that female social entrepreneurs earn less than their male counterparts, not only but also because they are less interested in their entrepreneurial success. Women care more about how much they can help (Estrin et al., 2014). This was not directly asked but nevertheless confirmed in part by social entrepreneurs as well as in part by the politicians. One social entrepreneur stated here that the focus of women on helping everybody leads to them burning out. Another argument was that women are less cut-throat than their male counterparts. This was also remarked as positive by one of the social entrepreneurs. The proposal from one politician was to motivate business owners with funding and preferred treatment to improve the roles of women in their enterprises.

Gupta et al. in their paper ‘Social entrepreneurship research: A review and future research agenda’ in 2020, highlighted the fact that women have different requirements for their employment. Female leadership is more likely to consider these requirements (Gupta et al., 2020). Here the politicians agreed that this is still something that has to be worked on. One politician agreed with them needing the focus to be on the work they are doing behind the scenes, care work.

In the paper ‘The Role of Gender in Opportunity Identification’ DeTienne & Chandler argue in 2007 that due to little research about women in leadership positions in social enterprises, there are role models missing for women. Solely research about men will not be enough (DeTienne & Chandler, 2007). When asked, most of the male social entrepreneurs stated that there were more women in leadership positions, they work with. Most of the female social entrepreneurs agreed that there are more women in leadership positions today than there were a couple of years ago. However, there was also the admittance that there are more represented in advisory positions. All of the social entrepreneurs agreed on the fact that empirical research is definitely important for their business.

The key finding here is that even though there are more women visible there is still a lot to do for women in this area. Social entrepreneurship is more women-friendly than conventional entrepreneurship, but they are still often forgotten.

The fifth challenge is in regard to leadership and foundation problems of social enterprises.

Ratten & Jones explained in their paper ‘Entrepreneurship and management education: Exploring trends and gaps’ in 2021 the importance of education and practise when it comes to

entrepreneurship (Ratten & Jones, 2021). The social entrepreneurs, when asked how much importance they would say, lies on practical experience, mostly agreed. Most of the interviewees fully agreed that there should be mandatory courses for business students, some did not agree with the statement that it should be by force and one entrepreneur brought up the point, that it should also be the other way around – students that study social studies, should also receive business lessons. The general consensus was that only theoretical studies will not be enough.

Mayer et al. researched in their paper ‘Entrepreneur characteristics and differences in reasons for business failure: evidence from bankrupt Austria SMEs’ in 2020 the importance of the resources that are available for businesses (Mayr, 2020). The social entrepreneurs were asked about the accessibility of resources in Austria.

This thesis also talks about the gravity of outside influences and how they can affect an entrepreneurship. The social entrepreneurs were asked how they viewed these influences on their management styles and their decision-making. Every social entrepreneur stated that these influences had somewhat of an effect on their practises, but some have to keep them in mind more, some less. If the entrepreneurship works in an area that is higher affected when there is a political change, these enterprises must be attentive to that. However, most of the entrepreneurs stated that independently from the new regulations, they are still eager to do their best.

Some of the social entrepreneurs stated here that Austria is a very business founder-unfriendly country. The politicians were in part also asked about this and they mostly agreed, especially when comparing it to the founder-friendliness from other countries.

The key finding here is that previous research about the importance of outside influences is confirmed but also that in Austria it can be especially difficult to do so.

Finally, the biggest challenge for social entrepreneurs.

To conclude the interviews, every social entrepreneur was asked what in their opinion is the biggest problem of social entrepreneurs in Austria. The answer from almost everybody was that too many people don’t know what social entrepreneurship is and what it does. Another problem was the missing funding from the government as well as the bureaucracy. The politicians were also interviewed on this topic, and they all agreed that there still was too little awareness as to what this kind of entrepreneurship is exactly. There were different examples of what can be

done to improve their visibility, but the politicians saw politics and the government, responsible for that. The same was true for making sure there is better funding as well as the problems that occur due to too much bureaucracy. However, they mostly agreed that in order to improve funding, more awareness will be needed so these two go together. To resolve the problems with the government there is also more awareness needed. If social entrepreneurship is known by more people, also in the government, it is easier for them to redirect any questions that come up to the right department.

The key point that can be taken away from this discussion is that social entrepreneurship needs more awareness in Austria, by the public as well as the government. In part, politics has to take on this challenge but there is also something social entrepreneurs can do. More awareness would solve most of the problems social entrepreneurship has as a whole.

6.2. The limitations

The limitations that occurred when it came to the research can all be broken down to Austria not having many social enterprises. The social entrepreneurship that were talked to, are situated in the two major cities in Austria: Vienna, and Graz. There are social enterprises in other cities as well but their popularity for the rest of Austrians is limited. Another limitation was the fact that there is often research missing that is specifically for Austria. This thesis is adding to the Austria specific research but there could be more.

7. Conclusion

This thesis was written to shine light on social entrepreneurship in Austria. It is supposed to show the evolution of social entrepreneurship and how far they have come in the past years. The focus of this thesis was the challenges social entrepreneurship faces and what can be done about them. The following are the research questions this thesis wanted to answer:

To what extent do SEs face the discussed challenges?

What further challenges do they have to deal with?

What solutions can politicians name for the challenges named?

The social entrepreneurs that were interviewed showed that these challenges are only in part still relevant today for them. Mismatch focus on the solution and missing ethics is in their opinion something that everybody needs to be aware of, but this is not seen as a huge challenge. Missing women in empirical research about social entrepreneurship was also not a problem that they saw as something they can resolve. The opinions here were mixed as to how much can be done on their part but still stating, that it is more female-friendly than the conventional entrepreneurial space. The necessity of a network and the barriers to this network(s) were considered as a challenge they had and have to face. The same is true for the challenges they face as entrepreneurs in Austria. The resources and the changes in government have an effect on them and their businesses.

A further challenge was named as well: Too little awareness of the public and the government. When talking to the politicians about possible improvements, different suggestions came up: One was that one politician should take on this topic to get more attention on social entrepreneurship. Another one was that social entrepreneurs have to get more attention on themselves through combined effort. The politicians are also of the opinion that more money has to be made available for social entrepreneurs, which they see as the responsibility of the government. A harder push for it would help in their opinion.

The research conducted for this thesis was about the challenges of social entrepreneurs in Austria. The goal was to research what these entrepreneurs have the biggest issues with and what can be done for them in order to resolve these issues as good as possible. For this to be possible, it was at first necessary to understand the history of social entrepreneurship in Austria and then focus on particular challenges that were earlier already researched. Considering these challenges, the next step was to discuss these problems with social entrepreneurs and see what they consider crucial. After these interviews, the politicians were interviewed on the challenges

and asked what solutions they would consider for these problems. Reflecting on this research it can be said that talking about this topic, is a step in the direction of improving the situation for social entrepreneurs. Social entrepreneurs are put in the position of reflecting on the challenges they face, and politicians are again made aware of the missing awareness of this type of entrepreneurship. This thesis and this research bring more eyes to the topic.

While this is true, it is not enough. A recommendation for the problems social entrepreneurs face would be to make SENA a household name, everybody in Austria should be aware of what this network and social entrepreneurship in general, are. Here it would be advisable if all members of SENA get together and produce a campaign to make sure that SENA is at least something that people have heard about. Another recommendation would be for SENA to work together with politics, especially the ministry of education to bring social entrepreneurship also in schools and closer to pupils as well as students. In Austria, pupils go to visit the chamber of labour (AK) and in a similar fashion, it should also be mandatory to visit the social enterprise network Austria. Here it would help if at least one politician stands behind this topic, it would be even better if a few politicians would take on this topic. If social entrepreneurship is known to everybody it would be easier, to receive improved funding and better recognition by the general public.

This thesis is also leading to more eyes on this topic, making it more known to people. This thesis is a contribution to making social entrepreneurship more of a household name. Some issues, that were discussed in previous studies, can now be looked at in a new light. Theses that follow this thesis can be aware of what challenges they have to focus on, to improve the research about this topic even further. With this thesis, social entrepreneurs in Austria are given the opportunity to bringing awareness to their grievances and making it possible that politicians hear about it. This way, there is the possibility to improve the situation and maybe even resolve some of the issues.

Literature

- Agarwal, N., Chakrabarti, R., Brem, A., & Bocken, N. (2018). *Market driving at Bottom of the Pyramid (BoP): An analysis*. UK: Elsevier.
- Ambreen, K., Maham, F., Dr. Faisal, M., Dr. Rab, N. L., & Ayesha, A. (2021). An Empirical Analysis of the Factors Influencing Social Entrepreneurship: A Gendered Approach. *Emprese Institutua*, 49-62.
- Anastasiadis, M. (2016). Work Integration Social Enterprises in Austria – Characteristics, Evolution and Perspectives. *De Gruyter*, 541–564.
- Angerler, E., & Liegl, B. (2008). *CSR and corporate governance in Austria*. Austria: Transfer.
- Arbeiterkammer. (2022, March). *Frauen.Management.Report.2022*. Wien, Wien, Austria.
- Austin, J., Stevenson, H., & Wei-Skiller, J. (2006). *Social and commercial entrepreneurship: Same, different or both?* Texas, USA: ET&P.
- Bansal, S., Garg, I., & Sharma, G. D. (2019). *Social entrepreneurship as a path for social change and driver of sustainable development: A systematic review and research agenda*. New Dheli: Sustainability.
- Bлага, S. I. (2021). *An empirical model of motivation for social entrepreneurship*. saeb.feaa.uaic.ro: SCIENTIFIC ANNALS OF ECONOMICS AND BUSINESS.
- Bruder, I. (2020). *A social Mission is not enough: Reflecting the normative foundations of social entrepreneurship*. Berlin, Germany: Department of Management, Freie Universität Berlin.
- BULL, M., RIDLEY-DUFF, R., & FOSTER, D. a. (2008). *Seeing social enterprise through the theoretical conceptualisation of ethical capital*. Belfast: Sheffield Hallam University.
- Chamlee-Wright, E. (2007). *The structure of social capital: an austrian perspective on its nature and development*. USA: Revive of political economy.
- Chell, E., Spencer, L. J., Perrini, F., & Harris, J. D. (2016). Social entrepreneurship and business ethics: does social equal ethical? *Journal Business Ethics*, 619-625.
- Cheng, C., Wang, H.-y., Sigerson, L., & Chau, C.-l. (2019). *Do the socially rich get richer? A nuanced perspective on social network site use and online social capital accrual*. Hong Kong: American Psychological Association.
- Cherrier, H., Goswami, P., & Ray, S. (2018). *Social entrepreneurship: Creating value in the context of institutional complexity*. Odisha, India: Elsevier.
- Chuanpeng, Y., & Baosheng, Y. (2020). *Creating for others: linking prosocial motivation and social entrepreneurship intentions*. Shanghai, China: School of Management, Fudan University.
- Crisan, C. M., & Borza, A. (2012). *Social Entrepreneurship and Corporate Social Responsibility*. Romania: International Business Research.

- Dachs, H., Gerlich, P., Gottweis, H., Horner, F., Kramer, H., Lauber, V., . . . Emmerich, T. (1997). *Handbuch des politischen Systems Österreichs*. Wien: Manzsche Verlags- und Universitätsbuchhandlung.
- DEES, G. J. (1998). *Enterprising Nonprofits*. Boston, Massachusetts: Harvard Business Publishing.
- DeTienne, D. R., & Chandler, G. N. (2007). The Role of Gender in Opportunity Identification. *Entrepreneurship Theory and Practice*, 365-386.
- Dey, P., & Steyaert, C. (2014). *Rehinking the space of ethics in social entrepreneurship: Power, Subjectivity, and Practices of Freedom*. Dordrecht: Springer Science +Business.
- Didip, D., & Azmy, A. (2020). *Understanding Definition of Entrepreneurship*. Indonesia: Ijmae.
- Digitalisierung, B. f. (2022). *Bundesministerium für Digitalisierung und Wirtschaftsstandort* . Retrieved from <https://www.bmaw.gv.at/>
- Douglas, E., & Prentice, C. (2019). *Innovation and profit motivations for social entrepreneurship: A fuzzy-set analysis*. Australia: Elsevier.
- Duygu, T., & Ozmen, Y. S. (2020). *How do social entrepreneurs develop technological innovation?* Turkey: Emerald.
- Entrepreneurship, S. F. (2022). *Schwab Foundation for social entrepreneurship*. Retrieved from <https://www.schwabfound.org/>
- Estrin, S., Mickiewicz, T., & Stephan, U. (2016). *Human capital in social and commercial entrepreneurship*. Birmingham, UK: Elsevier.
- Estrin, S., Stephan, U., & Vujic, S. (2014). *Do women earn less even as social entrepreneurs?* Bonn, Germany: Forschungsinstitut zu Zukunft und Arbeit.
- Farinha, L., Renato Sebastião, J., Sampaio, C., & Lopes, J. (2020). *Social innovation and social entrepreneurship: discovering origins, exploring current and future trends*. Germany: Springer Link.
- Fonseca, G. L. (2014). *The history of economic thought*. Retrieved from <https://www.hetwebsite.net/het/profiles/lachmann.htm>
- Foryt, S. (2002). *Social entrepreneurship in developing nations*. Fontainebleau, France: An independent study project.
- Foundation, S. (2022). *Skoll*. Retrieved from <https://skoll.org/about/>
- Gali, N., Niemand, T., Shaw, E., Hughes, M., Kraus, S., & Brem, A. (2020). *Social entrepreneurship orientation and company success: THE mediating role of social performance*. USA: Elsevier.
- GAV, D. G. (2022). *Die Grünen*. Retrieved from <https://vorarlberg.gruene.at/landtagsklub/vahide-aydin/>
- Götze, D. E. (2022). *Parlament Österreich*. Retrieved from <https://www.parlament.gv.at/person/5654>

- Granados, M. L., & Rivera, A. M. (2018). *Assessing the value dimensions of*. UK; Chile: International Journal of Entrepreneurial Behavior & Research.
- Grillitsch, W., Brandl, P., & Schuller, S. (2018). *Gegenwart und Zukunft des Sozialmanagements und der Sozialwirtschaft*. Carinthia: Springer.
- Grünen, D. (2022). *Die Grüne Alternative Vorarlberg*. Retrieved from <https://vorarlberg.gruene.at/>
- Grünen, D. (2023). *Die Grünen.at*. Retrieved from <https://gruene.at/organisation/parlament/elisabeth-goetze/>
- Gupta, P., Chauhan, S., Paul, J., & Jaiswald, M. (2020). Social entrepreneurship research: A review and future research agenda. *Journal of Business Research*, India.
- Halberstadt, J., Niemand, T., Kraus, S., Rexhepi, G., Jones, P., & Kailer, N. (2021). *Social entrepreneurship orientation; Drivers of success for start-ups and established industrial firms*. Germany: Elsevier.
- Hazenberg, R., Bajwa-Patel, M., Micaela, M., Roy, M. J., & Baglioni, S. (2016). *The role of institutional and stakeholder networks in shaping social enterprise ecosystems in Europe*. UK: Emerald.
- Hessami, Z., & Lopes da Fonseca, M. (2019). *Female political representation and substantive effects on policies: A literature review*. Switzerland: Elsevier.
- Hudson, P., Hagedoorn, L., & Bubeck, P. (2020). *Potential Linkages Between Social Capital, Flood Risk*. Potsdam, Germany; Amsterdam, The Netherlands: Springer.
- Innsbruck, D. G. (2023). *Die Grünen Innsbruck*. Retrieved from <https://innsbruck.gruene.at/zeliha-arслан/>
- Jiao, H. (2011). *A conceptual model for social entrepreneurship directed toward social impact on society*. Beijing, China: Emerald.
- Kaltenbrunner, K., & Reichel, A. (2018). *Crisis Response via Dynamic Capabilities: A Necessity in NPOs' Capability Building*. Austria: VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations .
- Kedmenec, I., Rebernik, M., & Tomic, P. (2015). *Social entrepreneurship education and its association with perceived desirability and feasibility of social entrepreneurship among business students*. Croatia: Croatian Journal of Education.
- Kerlin, J. A. (2017). *Shaping Social Enterprise: Understanding Institutional Context and Influence*. UK: Emerald Publishing.
- Kimmit, J., & Muñoz, P. (2018). *Sensemaking the 'social' in social entrepreneurship*. UK: Sage.
- Kostetska, I., & Berezyak, I. (2014). *Social entrepreneurship as an innovative solution mechanism of social problems of society*. Ukraine: Management Theory and Studies for Rural Business and Infrastructure Development.
- Kurz, H. D. (1995). *Marginaism, Classicism and socialism in german-speaking countries*. London: Routledge.

- Ladstaetter, F., & Hemetsberger, A. P. (2018). *The merits and limits of making do: Bricolage and breakdowns in a social enterprise*. Innsbruck: Department of strategic management, marketing, and tourism, university of Innsbruck school of management, Innsbruck, Austria.
- Lang, R., & Fink, M. (2018). *Rural social entrepreneurship: The role of social capital within and across institutional levels*. Linz, Austria: Elsevier.
- Lehner, O. M. (2011). *The Phenomenon of Social Enterprise in Austria: A Triangulated Descriptive Study*. Finland: Journal of Social Entrepreneurship.
- Lewellyn, K. B., & Muller-Kahle, M. I. (2018). *The Corporate Board Glass Ceiling: The Role of Empowerment and Culture in Shaping Board Gender Diversity*. Lakeland: Journal of Business Ethics.
- Mair, J., & Martí, I. (2006). Social entrepreneurship research: A source of explanation, prediction, and delight. *Elsevier*, 36 - 44.
- Mayr, S., Mitter, C., Kücher, A., & Duller, c. (2020). *Entrepreneur characteristics and differences in reasons for business failure: evidence from bankrupt Austria SMEs*. Linz, Austria: Journal of small business & entrepreneurship.
- McMullen, J. S., & Bergman, B. J. (2017). *Social Entrepreneurship and the Development Paradox of Prosocial Motivation: A Cautionary Tale*. Indiana, USA: Strategic Entrepreneurship Journal.
- McMullen, J., & Bergman, B. J. (2018). *The promise and problems of price subsidization in social entrepreneurship*. Indiana, USA: Elsevier.
- Muhammad, Y. (2012, September). Social Business Education: An Interview With Nobel Laureate Muhammad Yunus. (J. Kickul, S. Terjesen, S. Bacq, & M. Griffiths, Interviewers)
- Muldoon, J., Solomon, S. J., Stewart, G. T., & Bendickson, J. S. (2022). *Social Entrepreneurship as a Mechanism to Correct Institutional Shortcomings*. Journal of Small Business Strategy.
- Müller, W., Neuhold, T., & Schmidt, C. M. (2021). KPÖ gewinnt Grazer Gemeinderatswahl, Bürgermeister Nagl tritt zurück. *der Standard*, 1.
- Muralidharan, E., & Pathak, S. (2018). *Sustainability, Transformational Leadership, and Social Entrepreneurship*. Canada: MDPI.
- Murillo-Luna, J. L., Gracia-Uceda, E., & Asín-Lafuente, J. (2022). *Obstacles to social entrepreneurship*. Zaragoza: Emeralds Publishing Limited.
- Neumayr, M., Schneider, U., Meyer, M., & Haider, A. (2007). *The Non-profit Sector in Austria - An economic, legal and political appraisal*. Vienna: Vienna University of Economics and Business Administration .
- Nicholls, A. (2006). *Social Entrepreneurship - New models of sustainable social change*. Oxford: Oxford.
- Noruzi, M. R., Westover, J. H., & Rahimi, G. R. (2010). *An Exploration of Social Entrepreneurship*. Iran: Researchgate.

- Novak, M. (2020). *Social innovation and Austrian economics: Exploring the gains from intellectual trade*. Australia: Australian National University, Canberra, Australia.
- Politik., M. A. (2023). *Meine Abgeordneten*. Retrieved from So tickt Österreichs Politik. : <https://www.meineabgeordneten.at/Abgeordnete/judith.puehringer>
- Profil. (2018). Von Adler bis Rendi-Wagner: Die Geschichte der SPÖ. *Profil*, 1.
- Rao, P. P. (2018). *The effect of ethical leadership on employee social innovation tendency in social enterprises: Mediating role of perceived social capital*. India: Department of Management Studies.
- Ratten, V., & Jones, P. (2021). *Entrepreneurship and management education: Exploring trends and gaps*. Australia: Elsevier.
- Ritter, H. (1999). *From Habsburg to Hitler to Haider: The Peculiarities of Austrian History*. Germany: The John Hopkins University Press.
- Rivera-Santos, M., Holt, D., Littlewood, D., & Kolk, A. (2015). *Social entrepreneurship in Sub-Saharan Africa*. Amsterdam: Academy of management.
- Rostila, M. (2010). *The Facets of Social Capital*. UK: Blackwell Publishing.
- Salamon, L. M., & Anheier, H. K. (1998). Social origins of civil society: Explaining the nonprofit sector cross-nationally. *Springer Link*, pp. 214 - 246.
- Sarbutts, N. (2003). *Can SMEs 'do' CSR? A practitioner's view of the ways small- and medium-sized enterprises are able to manage reputation through corporate social responsibility*. UK: Journal of Communication Management.
- Scheidgen, K., & Hruskova, M. (2022). *Demystifying Silicon Valley: Unequal entry thresholds between entrepreneurial ecosystems*. UK: STORRE.
- Sen, P. (2006). *Ashoka's big idea: Transforming the world through social entrepreneurship*. India: Elsevier.
- SENA. (2023). *SENA - Social Entrepreneurship Network Austria*. Retrieved from <https://www.sena.or.at/>
- Steinberger, S. (2015). *Everyone codes*. Retrieved from <https://everyonecodes.io/>
- Vallaster, C., Kraus, S., Lindahl, J. M., & Nielsen, A. (2019). Ethics and entrepreneurship: A bibliometric study and literature review. *Elsevier*, 226-237.
- Vandor, P., Millner, R., Hobodites, F., Matzawrakos, M., & Winkler. (2022, January 01). *Austrian Social Enterprise Monitor 2021/2022*. Retrieved from https://research.wu.ac.at/ws/portalfiles/portal/27510882/WU_Studienbericht_Austrian_Social_Enterprise_Monitor_2021_2022.pdf
- Wagner, A. (2000). *Reframing "Social Origins" Theory: The Structural Transformation of the Public Sphere*. New York: New School University.
- Wirtschaftsservice, A. -A. (2022). *Austria Wirtschaftsservice*. Retrieved from <https://www.aws.at/verified-social-enterprise-label/>
- WKO, I. C. (2021). *Gründungsleitfaden für social entrepreneurs*. Wien: WKO.

Zahraa, S. A., Gedajlovicb, E., Neubaumc, D. O., & Shulman, J. M. (2009). *A typology of social entrepreneurs: Motives, search processes and ethical challenges*. USA: Elsevier.

Interview transcription

Of the 15 interviews only 6 are in this thesis, they were removed due to environmental concerns. If there there is a request for reading all the transcripts, they will be provided.

Social entrepreneurs

Sindbad

Valentina: If at any time you want me to stop recording or anything you don't want me to write down just let me know. So again, thank you very much that you have time and talk to me. I need your permission to use everything we talk about here in my master thesis.

Matthias: You may.

Valentina: Very good! Okay, perfect, I'll start right away. So, I always say first what I mean - which problem I mean - and then I ask the questions. So, the first problem I found is that it is necessary to have a network if you work in social enterprises or if you have one and that this is not possible for everybody. So, my first question is to what extent are you part of the social environment/network.

M: Well, I can confirm the problem that you have identified 100%. So social entrepreneurs, if you don't have your own network, you have to have the ability to build up your own network and I honestly believe that it is independent of whether you are a social entrepreneur or an entrepreneur in general because you have to sell your thing to a certain extent, you simply have to find people who will accept and believe what you represent.

V: Okay, so you would say you are very involved in such a network?

M: Absolutely

V: ok

M: Yes, very much and our network is also one of our success factors.

V: Okay! What advantages would you say this network brings, in general, for you?

M: Credibility, at the very beginning. That a lot of people are already talking about what you are planning or doing and trust you to do it. That they carry this as multipliers in their networks, thereby your own network is enlarged. That I would say are the two 2 main topics: Credibility and multipliers.

V: Okay and would you say that every person regardless of background and origin and all these things have equal access to such a network, to such a network?

M: I guess no. I'm sure they don't. [Do you] also [need] a why?

V: Yeah, if you have one.

M: Okay. I think, for example, if you are really socialized in Austria from birth and are part of various networks without ever having made an effort, then you have a huge starting advantage when you come to Austria, and I'm not talking about refugee experiences here, but also when

you come to Austria from Germany or Italy and have to build up your own network there, you also have to - networks are always a cultural feature, so a network in Austria works differently than a network in Germany, for example. That you then also find your way around in an Austrian network as a German person, that you know how it works, so the implicit rules and customs and so on.

V: That's a great 'why', thank you. Then I found that you lose sight of the goal a bit, that is, you concentrate too much on the solution you have found and less on the people, and I wanted to ask you first of all what you think of the statement: 'The goal of such a social enterprise is no longer to be necessary'.

M: Well, that is the, somehow euphemistically, strikingly formulated what every social enterprise sets as a goal, to abolish itself. That is very optimistic, this objective, and I believe that at least in most cases it would outlast the duration of stay of the respective actors in social enterprises, the self-abolition. But in principle I agree with that statement.

V: Okay.

M: But I think it would be a bit presumptuous to claim that you can already - at least if you are active in one area (because social entrepreneurship can be a lot of things, in our case it is the abolition of inequality of opportunity in education and I think that this will be an issue that we will face for a long time and in general this question of how are the different starting conditions of different people? We can create in the course of their life that these unequal starting conditions are equalized.

V: Okay. And do you think it can happen that people you want to help are forgotten and you focus too much on the solution and you want to continue with the company?

M: This danger definitely exists. An organization also develops a certain identity and this instinct at the end of the day - even if it sounds very crass - to save oneself or to preserve oneself can become greater than the mission that one has actually given to the organization. So that danger certainly exists if the organization doesn't reflect and deal with it non-stop.

V: Okay and then I have a question about you as a company: do you think that you could make a social change with the company that you offer, that you have? Now not just for the young people you help, but really socially?

M: It's all a question of quantity. So with what we do, I believe in principle that we can bring about a change in society, because at the core we are combining two worlds of life that would not actually meet in this way. This is something that has a lot of potential to be expanded and made even bigger. So if we can do it in a quantity that has an impact on society as a whole, then I would answer the question with yes.

V: Okay. Then I identified as a problem: lack of ethics and I wanted to ask you first, how important do you think ethics is when you can solve a social problem?

M: It's very interesting that you ask these questions now, because we are also considering where we should add someone with ethics expertise to our scientific advisory board.

V: Okay!

M: For me, the first question mark starts with what is ethics anyway? Because that's not so easy to answer.

V: That's right.

M: From the gut, I would say that of course I have the claim to myself and the organization that we act ethically without knowing exactly what is meant by that. Because moral and ethical is not the same thing as far as I can see in the purely scientific discourse, but that's why I have a really hard time answering your question. Because I really, honestly don't know enough what ethics is. By which standards I could measure an ethical action in our country, so to speak.

V: Okay, so you can argue that you act ethically because (this is not a question, I just wanted to explain). That you [for] young people just, that you want to be for equal opportunities, but my question refers to whether you would also say you are ethical now in the environmental area whether that is also considered or now in the area of animal rights or these things whether it or whether the focus is really only on: no matter what we want equal opportunities, provide equal opportunities and for that we take everyone, so, for that we ignore everything else.

M: Ah, okay very exciting question. Because that's one of those: When push comes to shove. So what do we actually stand for at the core then? What are we standing up for?

V: Yes.

M: Well, if I'm still sitting on the starboard side, then of course we'll also take other interests into account and let them flow into our decisions. But we have a clear, so we are already in our lobbying activity ostensibly responsible for equal opportunities in education.

V: okay, okay.

M: But thank you for that thought you also just gave me. Now I understand ethics a bit more.

V: I'm glad to hear that. But that actually already answers my next question, because that would have been how ethically would you say you act in daily life? How much attention do you pay to that?

M: I can give you a very concrete example: Maybe that would help. We would never provide company cars, apart from the fact that we can't afford it. But also because it just doesn't make sense, but the climate ticket.

V: Okay.

M: If that gives you about a picture. But the climate ticket is then also with the mission to go to our locations and to see that our young people and our mentors* are doing well there.

V: But I would say that is ethical. But would you say that there are ethical rules that you, as a social enterprise, have to think about that are not required of commercial enterprises? So do you think there is a higher standard?

M: I think above all that the internal standard is extremely high. So that in a social enterprise, well I see it with us - just such practically such I call it now times personal needs of the most different kind - if it is also about personal concerns and has made personal experience, in relation to whatever, for example environmental protection or protection of other minorities and so on, that we set us much higher standards from the inside, more than that these standards are brought to us from the outside.

V: Okay, so you guys set higher standards would you say?

M: yes

V: okay okay okay

M: Well, our employees are actually very much behind it. Intrinsically motivated people usually have not only one intrinsic motivation, but several topics that somehow occupy them, and of course they are all involved.

V: Okay. Next, what I researched even more was that there is a lack of empirical research on women in social enterprises and I wanted to ask how strongly the representation of women is perceived when it comes to women in social enterprises publicly or internally?

M: I honestly have the feeling that social entrepreneurship is already an industry in which women have a lot of leadership responsibility. Even if I now just think of my personal encounters and so to speak think of social entrepreneurs and social entrepreneurs from my environment. In public, probably, I would honestly also say 50-50. Because even people like that, who just generally stand up for, let's say, social or sustainable issues, are still very often women. So I think of Malala, Greta Thünberg, but then I also think of the one from the Grameen Bank, Mohamad Yunus or Mother Theresa or so. There are many, I think, really many outstanding female leaders. But that's just a feeling.

V: Yes, that only refers to feelings anyway. But when I researched this topic, I also saw from the Austrian Social Enterprise Monitor that it was also said that in the last few years many more social enterprises have been opened by women and now I wanted to know - I mean, you have actually already said this - how one feels this, or whether one feels this increase or whether it has actually remained the same for you?

M: No, I think so. Just for one concrete example at Sindbad: Since 1.1. I have a female colleague in the team for the first time as a colleague on the board.

V: OK.

M: So far we have always been male, that is, three founders, then the two of us ran the company and now there are three of us, one newcomer who is male and Janet who is female, recruited from within the company, so to speak.

V: Okay, so you can already feel it, would you say?

M: Yes. And there are many more female site managers at our sites than male site managers.

V: Is that new or did it start that way?

M: No, it has developed that way.

V: Okay. Then I'm already at the last problem. These are the problems that one has in leadership positions and we have already talked about Mohammad Yunus. He suggested that business students need more practical experience and that's why they should commit themselves to working in social enterprises from university. That is, then it is more likely that they will open one themselves and now I wanted to ask what you think of this, of this attitude?

M: I think that's absolutely right. We also have a new cooperation with the Vienna University of Technology, for example, where TU students are awarded ECTS points if they become involved as Sindbad mentors, and that is a step in this direction, where it is also about the educational mission that we have to take on beyond the technical education, universities for example. And I see this in the same way as Muhammad Yunus and think that it is precisely

such social skills that can be built up in a social enterprise, for example. But not only! So there are many fields where you can build something like that.

V: OK okay

M: But in principle I think so.

V: What do you think about the resources that have been made available in Austria for social enterprises or especially for you?

M: Financially, you mean?

V: Yes, financially, but also in general, what if there were other resources?

M: Well, financially, there are very few subsidies that are explicitly framed for social enterprises, so to speak, that are published. Most of the time you just fall in somewhere, somewhere else where social enterprises are not explicitly addressed.

V: Okay

M: I would like it if they changed something like that because I think it would give the whole scene a boost and also make it easier to set up new businesses. Politically, the topic of social enterprises is now being considered more, but I would be happy if even better framework conditions were created. This includes, for example, a suitable form of enterprise, which does not exist in Austria at the moment, i.e. of a legal nature. Another issue is human resources, just like in all other sectors of social entrepreneurship. We have the advantage of a "job with a purpose", but a "job with a purpose" doesn't pay your rent at the end of the month. So in social entrepreneurship you also get an understanding of what services we provide, what value this service has and to what extent the sale of this service or however it is supposed to work or may work in the individual social enterprises can in turn also pay the salaries of the individual employees at the level that these people would perhaps also earn in another sector.

V: Okay, that actually partly answers the next question because: How important do you think external influences are on management decisions? So politics, acceptance by others, financial support, how important are they, how big is the influence on management decisions that are made?

M: Well, the influence is there. I would say it depends a bit on the decisions - big strategic decisions. Well, I can give you two examples: One example where it has had a very big influence, for example in this whole new ESG debate or regulations that are being implemented right now, will we or do we position ourselves consciously in the area of social sustainability because of this new EU taxonomy and all these new EU regulations. As a credible partner for companies and also as a quasi know-how and expert in the area of social sustainability. The political framework has certainly played a role in our positioning ourselves so aggressively in this area. It's different in the area of our core business, however, when it comes to: How are our young people, our mentors, doing well? And what do we have to do for that? What can we do in the medium and long term? The external framework conditions are limited to what we can gather from our organisation in terms of experience or what we can perhaps learn from similarly functioning organisations, but not so much whether the politicians decide to abolish the ninth compulsory school year and move it to the eighth compulsory school year or something. Or I don't know, that's a stupid example. But I have to say that when it comes to the satisfaction of the mentees and mentors, external factors play less of a role.

V: Okay, I mean, for example, in the case of financial support, I also meant sponsors. Do they, can they, does their presence also influence management decisions? So how can we get more sponsorship?

M: Well, when we apply for sponsorship, funding etc., we always come with a finished concept that corresponds to our concept. But now, so to speak, of course big donors have some kind of influence on the development of the company, but that is simply logical from a systemic point of view. But that is not a conscious decision, so to speak, not always a conscious decision, even in management, to say, we are now doing right by this or that person so that he or she gives us more money, but we make sure that we stick to our thing and whoever wants to get involved with our thing is welcome to participate. And if you don't think it's necessary, you can look for other organisations or partners.

V: Okay fits then I would like to finish with the question, what would you say is the biggest problem of social enterprises? Including or exclusive of the things I have discussed, what would you say is the biggest?

M: I think the issue of staff is extremely hot. So how do we get really good also experienced people into social entrepreneurship? How can we build this bridge between the corporate world, the quasi-classical social institutions and also be an attractive employer there?

V: Do you think there is a way to do that from the outside or is that something where you said it is your, something you have to solve?

M: No, there are certainly ways to counteract it, to help.

Heidenspass

Valentina: Then I'll start right away with my... well, I always say first what problem I found there and then I ask the question right away. So the first problem I just found something about was that it is necessary to have a network if you are in a social enterprise. And I wanted to ask you or Heidenspass: to what extent are you part of such a network?

Heidenspass: Well, we are already part of different networks. Since Heidenspass is a hybrid company, i.e. we are not a pure social business, it has to be said that we are also partly funded, on the one hand we have a large network in the funding landscape, i.e. we have a network with our funding bodies, and on the other hand we are in various associations, whereby we are also members of SENA, for example, and also actively participate in the Social Business Hub Styria. The same applies to the ArbeitPlus association, where the non-profit employment companies are represented. So we are, so to speak, anchored with one foot in public history and in the social business scene.

V: OK, so you would say that to a large extent you are part of such a network.

H: Yes!

V: What advantages per se would you say this network brings?

H: Well, it is actually a very important prerequisite for simply gaining a certain level of awareness. It is also very important to exchange professional information, it is also very important to be in the network so that the topic of social business becomes politically relevant and is simply heard. It is important to a large extent.

V: OK and then I would like to know if you believe that every person, regardless of background or origin, has the same access to such a network?

H: Well, I don't really believe that. I think, no, actually I don't believe that. You have to have certain characteristics to make it work. I have noticed that there are people who find it easier. People who can sell themselves very well, people who are really very active and what I notice is that if you are very busy in terms of content, that is, if you really do a lot operationally and don't have the resources to have someone (because that is also time) cover and work through that, then of course it is much more difficult. We have noticed that we are very small, we don't have a big structure and I, for example, have 10 different tasks with my management for which I don't have any departments. That is also a question of resources, how much I can participate in such a network or not.

V: OK, so what would you say is the main reason why someone with a different background or with a different origin doesn't get access to it as easily as you do?

H: Personality trait. That is simply how extroverted is someone and how enterprising so how loud is someone shouting and time resources.

V: Okay! Then the next thing I found was a wrong focus on solutions. That is you lose sight of the goal, so to speak, and there I was first of all asking what do you think of the statement: The goal of a social enterprise is not to be necessary anymore?

H: Superficially, of course, it's true because social enterprise is about solving a social problem. In detail, it depends on the social problem, because sometimes social problems are very big, they are global and you don't get into the situation that you are redundant, for example, when it comes to saving the world. But basically, social business should always strive to focus on the addressed social problem and to solve it.

V: Okay! Do you think it can happen that you want to help people or the problems you want to solve are forgotten because you are too focused on the one solution you have found? Do you think that is possible?

H: There is a danger. I think that with a social business you have to be very reflective anyway because seemingly irreconcilable opposites come together. We have a fundamentally capitalist system, a company that is geared towards making money, and on the other hand we have the claim to solve a social problem. It is not hard to lose sight of these things because if, for example, a solution is economically successful and no one is protected from that, one should of course, one gets many warm pats on the back, what a good person one is, that is not to be underestimated what that does to someone. I also believe that in this industry, people are attracted who also reflect this vanity quite well, and a lot is aimed at it, if you look at something like Ashoka, which also aims at something like this, that these people are also seen with pleasure. I say that in a non-judgemental way, but of course there is always a danger of focusing too much on the one product, on the one solution, on this great distribution channel, on the great slimming you have, and then the really genuine social work actually takes a back seat. The target group certainly takes a back seat. It is certainly a conflict. We have introduced mechanisms to ensure that this does not happen here. I believe that this is also deeply human and normal because such a company can of course also take off economically. And that then naturally becomes bigger and stronger than the other.

V: OK, then I wanted to ask you about your company specifically: do you think that your company leads to a social change, to a social improvement?

H: Yes, I think so, yes.

V: OK perfect then I'll talk about ethics and then I would ask you first: how important do you think ethics is when you can solve a social problem?

H: Ethical questions are of course very central. They must always be high on the agenda, and they are high on our agenda. For example, even if we want to solve a social problem and employ disadvantaged young people, we still ask ourselves ethical questions in all other areas. In other words: how do we do it, how do we deal with each other, not only how do we deal with the young people, but also how do we deal with the staff, how do we deal with the customers. These fundamental ethical questions - where do we order? We don't buy from Amazon or anything like that - because it goes into other areas of the business. Where our moral, ethical values - which we have recognised and established as values for us - are reflected.

V: Yes, but you have actually already answered my next question, because the question is how ethically would you say you act on a daily basis?

H: Exactly! So that is really the daily, in the daily work it always has to flow in. All decisions that I make or that are made micro in the team are based on the fact that we have a certain world view and ethics and moral conception and also implement and live these.

V: OK and how do you find that there are ethical rules that are set for you as a social enterprise that are not now set or required for a commercial enterprise?

H: Yes, I think so. I think that the expectations on the part of the consumers are changing a little bit as far as companies are concerned, I actually see that there is a change that ethical demands are also being made on a normal company more and more by the consumers. I think that as a social business, we are once again being particularly scrutinised. Because we are also pioneers and role models in this respect. I think that's logical and totally legitimate.

V: OK, the next area I dealt with was women in the empirical research of social entrepreneurs and I would like to know that women are very much represented in social professions, that is clear, but do you think the social entrepreneurship space is women-friendly?

H: Let's put it this way, I would say it is perhaps more women-friendly than this conventional economic space. But actually I think it's very hard to pin down. I am also invited to many podiums or competitions where I am on the jury and I notice - this is also interesting for me - that there are always far fewer women if that is (a little) more important. It is true that women work more in the social sector, we know that in social enterprises, but not necessarily in leadership positions. I don't know why that is, but I sat on a jury the other day to evaluate ideas for social business. It was a jury of 6 people and I was the only woman. That's not really possible. It's not that much different. I think in the social business sector, what is more different is that there is an awareness that this is not balanced and that there are at least efforts to change this. I think there is a consensus in the scene about that.

V: Okay! Do you think that would be enough to make it more women-friendly or do you have any other suggestions on how to make it more women-friendly?

H: That's a very difficult topic. I often ask myself that. As a managing director, I am always together with other managing directors from my sector and I always wonder why it is always

only men and why this cannot be solved, I don't understand myself. I can only tell you to this day, I also do a lot of job interviews, when someone applies to me, I can guarantee you one hundred percent that male applicants discuss the money with me after a quarter of an hour and that female applicants shyly say at the end that the payment is not so important to them and that there is simply something grossly wrong. Even with the young women who I see as very self-confident, I simply notice that this career orientation or this matter-of-factness with which one takes on leadership, this something I trust myself with, is less pronounced. I am always surprised at the self-image of young men who may not be able to do anything at all and think they are the super men. It's just like that. If I have a group of students here and they are supposed to form groups where one of them is supposed to be the group spokesperson. There are five women and one man and the group spokesperson is the man. I think these are things like that. Structurally, of course, but I think that we as a society still have a long way to go and that in the field of leadership, no matter in which industry, it still tends to be very male.

V: That brings me to the next question anyway, because I also found out that the Social Entrepreneurship Network Austria has very proudly noted that many women have opened social enterprises in recent years. Now I wanted to ask: how do you feel this increase of women in leadership positions in social enterprises?

H: Yes, as I said, I don't find it that noticeable. I am not that well informed about which company is run by whom. It's just how I experience it at events or with people I meet. I see more mixed management teams, but they still tend to be male. And as I said earlier, even in mixed management teams, for example, I notice that the male part of the management team is always the louder one. It is strange. Maybe we need to think a little bit about whether this has something to do with women, why we don't take hold of things the way we should.

V: That's not my next question, it's a question because you said [for] the network is the best [to be loud], so the person who is the loudest is the best. Do you think men have better and easier access to networks? To this network?

H: Yes, always, I think so

V: Did the empirical research or the information about it influence you in any way? In other words, the decision to start a social enterprise?

H: No. We are relatively old, I founded the company 16 years ago, and 16 years ago social business was not yet a special topic. It's only really taken off in the last few years. For me, the approach at that time was actually, I used to work for Caritas and built up Tagwerk, and for me the approach at that time was, it can't be that all this is state-subsidised, for several reasons: Not only for financial reasons, but also for pedagogical reasons, it was important to me that we produce things that are really bought and that really have a value and that the young people see how it works. I make something cool, someone likes it, they buy it, that's also a very important pedagogical story. That is to say, before I heard the term social business in the sense that we have a self-production quota that has relevance and also offer serious products that are also good and that are not bought out of suffering, that was actually my claim. Later on, we also worked a lot with universities of applied sciences and universities and a doctoral thesis was written about us, for example. That research is relevant for us because, first of all, we get confirmation again and again that we can see what good work we are doing (which is always forgotten in between), we can prove our work, stand up and say so and so looks like this because it has simply been seriously researched and, for example, we have just done a project with the

Global Studies students on the topic of SDGs (Sustainable Development Goals) who have also worked out an SDG map for us. These are, for example, things that can be very practicably incorporated into everyday business life. So as an orientation aid for the employees, the young people and also as a measuring instrument to present our work, which also goes beyond a purely capitalistic profit-loss story. In this respect, research is of course also very important for us.

V: OK. Then finally I ended up with leadership problems and I wanted to ask the first official social entrepreneur who suggested that business students need more practical experience, especially in social enterprises, and that this should be offered directly by the universities. This would make it easier for them to set up a social enterprise themselves. Now I wanted to ask what do you think of this idea?

H: Basically, it's certainly a good approach. I think we are in a huge change anyway and have to rethink, but as far as our economic system is concerned, social business is only a small spearhead, I think, of a much bigger thing. Namely that our economic system is collapsing anyway and no longer works. We are in the process of destroying our livelihoods and we can't go on like this. So growing to the eternal end is not going to work and everyone should have realised that by now, which means we have to rethink anyway. And social businesses are actually already one step ahead, just to see what else we can do, because people have to do something and they want to do it. What else can you do without destroying your own livelihood, that's a good approach. On the contrary, even protecting them is a good way of looking after each other. In this respect, it is of course very important that the next generation and future entrepreneurs get a completely different picture of what a company should do and also see things and develop ideas beyond shark capitalism. I also believe that this has become very important for many young people - that's my experience - because many young people simply see gainful employment differently and giving meaning has taken on a completely different meaning. And that is a great opportunity.

V: Okay. From Austria, what do you think of the resources that are made available to you as social entrepreneurs? From the country of Austria?

H: It's getting a bit more. We are a bit of an in-between because we are not a classic social business, because we are not 100% revenue-financed but also get subsidies. I think it's good that the whole topic is slowly being opened up: There is the possibility to register as a social enterprise, as an official one. What I still lack is clarity in the tax and legal situation. That is always a big problem for us, that we are not really classified where. I would also like to see a separate legal form. And also a tax law that favours us, that would also lead to the fact that the work we do for society would be honoured, for example, by giving us preferential tax treatment. I think it is high time that the state tackles this.

V: OK, and then I wanted to ask: in your opinion, how important are external influences, i.e. politics, acceptance by others, financial support for management decisions?

H: That is of course important, of course. Also the acceptance. For example, we are not a registered social business organisation. We haven't done that yet, I don't think we have enough income of our own for that. Nevertheless, I was pleased, because it's also about appreciation, that we are seen, that this is being tackled. And financing, of course, when there is financing for innovation, that is motivating for us as directors, that we are also developing our fields further. That makes me happy too. Financing, of course, is always welcome, because we are

still in the midst of a crisis, which is also affecting us, and we are pleased when we are not forgotten.

V: Finally I am at my last question: What would you say is the biggest problem for social entrepreneurship in Austria? Including but also excluding the points I was talking about, what is in your opinion the biggest problem for social entrepreneurs?

H: The biggest problem in Austria is, also when I am looking back: In some way acceptance, for social businesses. But it is still a branch where young self-exploiters gather. Basically, it is still for these start-ups – that always sounds so great, the packaging works well, the great word of mouth that you get, the compliments but still – real people wear themselves out, get nothing paid, work incredibly hard and still get nothing for it. And then, at some point, when an investor comes along and they get discovered and their idea develops in a direction, with an unclear result and they leave or sell to the investor and their idea in the beginning gets lost. That can be really hard on the founders. These founders are people that must have high motivation, must be very dedicated and they don't have it easy. I think that missing appreciation, in a monetary sense – this too is not fair. And this leads to people self-exploiting. It always sounds so much greater than it is. To a certain degree it is an Instagram reality and if you look behind it, just a little bit, you see that people cannot live like that from their business but that they do something very valuable for society. That does not go together. As long as you don't figure that out you will not get enough people into founding. Austria also is not a very founding-friendly country, we have to be honest here, you have to have thick skin, so you can go through all of that, the bureaucracy, no money, hard build up, it is not made easy for you here and I think it is a big problem, if it was different, everything would grow faster, develop faster and less people would be burnt out.

V: Because you say that this is not a start-up friendly country, do you mean that only for social enterprises or do you mean all of that in general?

H: I mean that in general.

V: Because of all the bureaucracy around it?

H: All the bureaucracy, the high tax burden, I think we are actually very conservative in that respect. And many people who should actually be working on their ideas are simply crushed with other things, with administrative burdens, with payments, with completely excessive ones, where they simply lose their direction and can't get any further. A lot of things would have to change.

V: Because you say so many people are being burnt out, is that something you can change from the outside? Is it us as a society or our politics?

H: Well, that's a complex thing, I think a social enterprise has to tackle that itself. Of course, it also has a lot to do with the warm pats on the back and you think to yourself, "Yes, I'll do it," and at the beginning I just take a bite and so on. And we all have such a perfect performance. It's also just something so mundane, I can so easily make a perfect appearance online. But that's not true when you talk to people and see how they really live and how tedious it all really is and that nothing really comes out of it or that every second workshop is cancelled or doesn't take place at all. So a little more honesty with yourself would certainly help. And certainly, also the consumers, it is a difficult time for everyone, but I, for example, try that when I consume something, no matter what, I rather go for social business, rather look, rather local, rather

regional and not take advantage of a service from a corporation. Everyone can certainly do something on a small scale to support these (initially) small ideas and organisations.

RespondEco

V: First of all, the question of whether recording is allowed for transcribing and for the master's thesis.

RE: Yes

V: First the topics, and then I ask my questions about them. First of all, I was looking at the need for networking. To what extent are you part of a social enterprise network?

RE: We are basically active in the whole DACH region. That means we have to expand all our networks in Germany, Austria and Switzerland. Of course, we focus mainly on the Austrian or Viennese market - not only but primarily - and there we are a member of SENA, then Respect (the business network for social enterprise). These are the two big networks. Where we are formalised members. I would say the most important networking tool is LinkedIn (by far). We founded COVID in 2020 and that's where networking got the digital touch - and a conversion of networks. Events where you see each other and networked became a purely digital networking. I still have the feeling that this change is still going on and that even after COVID the physical networking events are clearly decreasing. That's also where a lot of the algorithm comes in and suggests people to you.

V: What are the advantages of this network?

RE: You can't do without it. I would say that in this whole long sales funnel where you - from making a name for yourself to closing sales - it's a laborious process if you haven't learned how to do it before, if you were active in sales. That means you have to have an unbelievably large network so that in the end there are still people left who will buy it. That is, primarily for sales. Of course there are also knowledge networks, not all of them are potential customers. We have also built up a network of experts, in our case many of them were sustainability managers. And that's why I said the DACH region, which is also exciting because it's not limited to the Viennese/Austrian market, because Austria is also a very small country. It's noticeable that after a relatively short time, people know each other. I noticed that when I started two years ago and didn't know anyone, and now I know almost everyone because Austria is also very small. When you have the whole DACH region, it's bigger.

V: Do you think every person, regardless of background and origin, has equal access to such a network? Why / Why not?

RE: I think digital has democratised it a bit more. I don't want to praise LinkedIn too highly, but anyone can start there once and is virtually nothing and clicks through and you don't have any admission criteria or restrictions. So, first you graduate and then you have to prove that you are an interesting person who can bring something to others. But basically anyone can join. It's also not a question of price, that has to be said. There are already networking events that soon cost a few hundred euros, where you then think about whether you can go or not. The digital one makes it all free of charge. So there are relatively few barriers to entry.

V: Wrong focus on solutions. What do you think of the statement "The goal of a social enterprise is to no longer be necessary"?

RE: Laid on a bit thick. I know it, of course. A, I know it. B, it is laid on a bit thick. C, a bit unrealistic because in the end: Who really does something to abolish themselves? And D, I come from the social sector and I don't just see it for social entrepreneurship - you could also say that for NGOs. If you're at Greenpeace, for example, and you say the goal is that we're no longer needed. I don't need to be a social enterprise for that because environmental protection has become so self-evident. I think that doesn't necessarily have anything to do with social enterprise.

V: Can it happen that the people you wanted to help are forgotten because you focus too much on solutions as a social enterprise?

RE: There is B2B and B2C, we have B2B so we don't target individuals and we don't try to solve anything there, but no, if you do it well that shouldn't happen. You target it to your audience, it's about impact so that shouldn't happen.

V: But do you think it's a general danger?

RE: Could you be a bit more specific with the question?

V: For example, a social enterprise wants to help a certain group of people - let's say blind people - they have a product that helps them definitively and then they are so enthusiastic about the product that they - that the target group then slips in such a way that blind people don't really get anything out of it any more but you concentrate too much on selling the product.

RE: Okay. Well, but that's the contradiction you have, in social entrepreneurship, between your impact and your profit. And that you then say that you - for whatever reason - tip too much to the side of profit, then you are too little with the impact and too little with the target group. That can happen. That is a classic conflict of goals and you have to reflect on it again and again. And that's why it's so important to measure the impact so that you can see that. That you can see that you have made a profit, but we have become worse in terms of impact.

V: Do you think that the solution you offer with your company can lead to social improvement?

RE: Yes, we think so, although that is always a high, almost theoretical claim, the social change. But according to the definition, you can only be a social enterprise if you solve a social problem. In our case, the problem is - quite concretely - companies are not sustainable enough, that is a social problem. This is not as obvious and striking and perhaps not as obvious as when the problem is "contaminated drinking water". So this is certainly a more classical social problem than when companies are not sustainable enough.

V: Lack of ethical aspect. How ethically would you say you act on a daily basis?

RE: Well, I would say absolutely as much as we can, as ethically as possible. I don't see any point where we don't act as ethically as possible.

V: How important do you think ethics is in solving a social problem?

RE: Absolutely important and interestingly not only when solving social problems, that is a question for every company. For social enterprises, perhaps even more so, but fortunately also traditional companies get a slap on the wrist if they act unethically. It has certainly developed - it wasn't like that a few decades ago, it probably wasn't like that a decade ago - but in the meantime the demand on companies as responsible actors has definitely increased. It is no

longer just moral, there are also more legal obligations to act in this way. You can't just say that consumers punish or reward.

V: Are there any ethical rules you can think of that are not required of commercial companies?

RE: Yes, but I wouldn't know specifically. You'd have to look at which company you're comparing it to. In general I would say that the standard is higher but in practice I don't see it or it depends on which company you compare it with.

V: Lack of empirical research on women in social enterprises. Do you think the social entrepreneurship space is women-friendly?

RE: So for me the entry point was - you'll know better. There is already some empirical data - at the Start-Up Monitor, at Social Entrepreneurship Hub - when I started going into the field a few years ago, it was very female-oriented for me. Young and female. I've noticed that now, as a rather older white male, positively and in comparison to other industries I know. And of course I can't say what the chances of advancement are for women in this scene, but often they are the founders, ofmtmals they are damn good and extremely sought after. For example, we would very much like to have a female founder in the team or otherwise women - that is always a financial question and who you can travel with, but basically I think the chances are good in this area.

V: As I read up on the topic, the site "Social entrepreneurship network Austria" wrote that many social enterprises have been opened by women in recent years. How do you feel about this increase of women social entrepreneurs?

RE: The time period is too short for me to say. I haven't been around for decades, only for a few years. But I can't say anything about change - as I said, where I started were the stars (you also have to say that the stars are the ones who like to be hyped by the media or the scene, by prizes, doesn't necessarily mean that you give them money). Of course, with these dusty economic things, one is happy if one has highly qualified - perhaps also pretty young - women whom one can then show off. But that doesn't mean that the investors really give them money, that the customers really buy them. But the ones I got to know were simply damn good. Full of verve, they are highly educated - better educated, three times as well educated as the 50-year-old top managers, they speak English fluently, they have an energy, a charisma, this purpose and this mission - which is also contagious - who don't just sell some junk but say they really solve a problem. The ones I have met like that were and are simply good.

V: How much would you say the information on social entrepreneurship research has influenced you?

RE: Well, I also approached social entrepreneurship and its organisation with a master's thesis. When you dive into it, you somehow think it's such a huge field, there are also a lot of investors and funding. Then you get disillusioned because in the reasons it changes from "This is a big thing, I want to be part of it" - which also remains, I think the approach is great, I want to stay there - to well, okay, solve the problems without getting money because you have a business model anyway and "reinvent the economy" (because that's what it really is). But without capital and somehow on the side. The funding, for example, was extremely sobering - it's starting slowly now, it's via the VSE, where you can now be verified as a social enterprise. And now the first funding from AWS is coming, but before that it was still like: "Nice that you have an impact, but how much money do I make with your business model as an investor?" It was all

pretty sobering than anything you read on the Bubble when you got into it. Most of the time what you read in the literature is just a new trend but until it hits the ground and you can work with it, it's still a long way to go.

V: My final topic was leadership issues. The officially first social entrepreneur suggested that business students need more practical experience, especially with social enterprises. This will make it easier for them to start one. What do you think of this idea?

RE: You can never do everything. You always need a team. Some are experts in the problem they're solving, others are quite good at marketing, but you need all that. And you also need a mixture of - it has its advantages if you are young and full of verve, definitely. But that contradicts with I've been working for so and so many years, I've started three companies and I understand how it works. So I think a good mix is what you do and where you learn now and when you learn doesn't matter.

V: What do you think of the resources that have been made available for your social enterprise by Austria?

RE: The disappointment was quite big, I imagined it would be much easier, that there would be something. In concrete terms, we haven't received anything yet, except for Corona funding. Now we are submitting for a large AWS grant that is clearly aimed at social entrepreneurship organisations, where you have to submit an impact report in any case - they changed that within the call for proposals. Originally, the impact report was not included, which is quite new, that they are now specifically targeting the social economy. Before, they also addressed non-social enterprises and it was really about the business model and how to make money with it. We have not yet received any funding and in Austria the start-up sector, but even more so the social entrepreneur sector, does not function without funding. We don't have an investor market like in the US where they run around and say "Hey, I think you're cool, I'll give you money", but here it's all about funding and we haven't really received anything in almost 3 years.

V: How important do you think the external influences (politics, acceptance for your business, financial support) are for your management decisions?

RE: It depends, but the way you listed it, you can't really not care, because otherwise you'll be broke and do it all as a hobby. Well, I think it's important to go your own way, to be intrinsically motivated and know why you're doing it - so not 'I don't care' but it's just important to me, I want to do this now. And I think that's essential, these inner influences, because it's just damn hard to start a start-up, social is just even harder - it's just a damn rocky road where you work a lot and don't actually get anything, so at the beginning. And nobody can really sustain that if you're not really completely convinced. And these external influences of reward - from whatever, the market, from the state if there are any subsidies - is also important, that you know you're not completely on the wrong track and you also have to survive, because of course it all costs money. But I would say it's about equally important.

V: Finally, I would like to ask what you think is the biggest problem of social enterprises in Austria? With the ones we just talked about or independently of them?

RE: I would say a lack of a support system. Because at the end of the day - this is of course European thinking, so the state should feed us, the Americans probably wouldn't say that - it's so damn difficult to combine the high demand of solving a social problem and then also simply being successful as an entrepreneur. And there are still few examples, in Austria but also

globally. Basically, even with the biggest, most successful companies that are not socially oriented - ban or restrict the advertising concept and then the biggest companies go bankrupt. That means it's very difficult to find something they need in these over-saturated markets and that's why I don't think we can support this enough, also as an experiment: what is actually possible, which social problems can be solved how and to what degree entrepreneurially. I think it would be justified for the state to provide money and other support. And to try it out.

Politicians

Bernie Weber

V: First I need permission to record all this.

BW: Yes

V: ok perfect alright fits well.

BW: Then I'll quickly introduce myself so you know who you're dealing with. So my name is Bernie Weber and I'm a member of the state parliament for the Greens since 2019, which was the last state election here in Vorarlberg. We are now in the second legislative period in a coalition with the Vorarlberg ÖVP, so we are the governing party and, as I said, this is my first time in the state parliament and then in my area I am the spokesperson for the economy, spatial planning, art and culture and a few other topics, but these are, I would say, the three topics that drive me around the most. So spatial planning is what it's usually called in Austria, in our country spatial planning, economy, art and culture are my 3 main topics. And besides that, in my traditional profession, I am an entrepreneur, that is, my advertising agency that you see in the background here. I have my agency in Dornbirn - the largest city in Vorarlberg - with 15 employees - I think we have 10 women and five men in our agency and I have been doing that for over 20 years. So I am also an entrepreneur, active as an entrepreneur. These are my general conditions.

V: Okay, perfect, great. Then I'll quickly tell you what my thesis is about. In my Master's thesis I talk about the challenges that social enterprises in Austria face, and I filtered out five major challenges and talked to 10 social entrepreneurs about them, asked them how they perceive these problems and then - through the analysis - found out which are the biggest problems or where they see the biggest focus. I can quickly say the problems I have focused on are that it is incredibly important to have a network and then I then asked if everyone, regardless of background, has the opportunity to build up a network with a network and the answers were mixed but greater than the answer to wine. Then that ethics is often missed in social enterprises. That the solution someone has found is focused on too much and people can be forgotten in the process. That when it comes to empirical research that women are often forgotten and also general leadership problems that one has as a social enterprise and yes I just generally asked how to see all this. Should I also tell you the results - that is, a summary of the results - or should I go straight to the questions?

BW: We can also go straight to the questions if the summary would influence me.

V: Okay!

BW: I just want to say that in the classical sense I am of course not a social enterprise, we are first of all economically oriented but many social aspects play a very big role in my enterprise, just that that is also clear.

V: Ok, I wanted to - well, I can also explain why I wrote to [you]. Because I just - I wanted to ask mainly green politicians and politicians with the social aspect - with those who have an access to it, so directly on experience. But if you look at it from a non-social point of view, it's also very exciting - I wanted to - I'll ask my questions and then you can look further. What was already a big point was that social enterprises are not so well known to the general public and

now I wanted to ask if you have any suggestions on how to bring social enterprises or social entrepreneurship more to the attention of the general public? Do you see a possibility to bring it closer, so that people understand what it is and what is being done?

BW: Well, that is of course after your question, your interview request and also, there is - about 2 or 3 weeks later I got a motion from the NEOS on the table where it is exactly about social entrepreneurship, in Vorarlberg, so a question - a motion that they will bring into the state parliament and there I have of course also dealt with this issue and also inquired with my group, For example, also with the Office for Engagement and Citizen Participation, because they are also very involved in this topic area, and it was only when I researched this and had conversations that I really noticed how little is actually known about it. I don't know if you know the situation in Vorarlberg, but in Vorarlberg there is really very little, except if you include the social institutions. But actually, as I understand it, these are social - that is actually - also private initiatives that are committed to the common good as a corporate goal and not to economic or profit maximisation, to economic growth. That's the big difference.

V: Yes.

BW: And if I limit this to private initiatives and private companies, then there is almost nothing in Vorarlberg, almost nothing and that means - this is not so well known as social entrepreneurship or that it is a social company. There are already many initiatives, but these are initiatives that are supported by Caritas, for example, or by AKS or by the Vorarlberg Transport Association. In cooperation with other companies and institutions, but there is still a blind spot on the map, I think so. And probably - to come back to your question - what can be done to make it better known? It needs more publicity, also media publicity, but it also needs more awareness raising, also in the context of politics, I think. Because I have also noticed that, due to the NEOS motion that is now on my table - I have also spoken with my coalition partner and not with just anyone, but with the economic spokesperson of the Austrian People's Party (ÖVP) - that is, the economic spokesperson of the economic party - in my opinion, she does not know what we are talking about and what I wanted to talk to her about. So this hasn't really got through to politicians either. This is supposed to be an orchid topic, I think. And it needs publicity, it needs business media, for example, because it is of course also an entrepreneurship that needs to be dealt with and that also needs to be upgraded accordingly or made known so that solid initiatives can come into being at all and so that the spark of ideas jumps better. That's what I think we could contribute. We have to make sure that this is brought to the attention of the public and if there are examples of best practice - from our own region, all the better - if there are not, then from comparable regions. Of course, it's no use for me to present a social project from Amsterdam because it doesn't promise the environment, i.e. what's going on in Vorarlberg. But there are comparable regions, of course. Which are also defined as comparable regions. Like South Tyrol, for example, which has been much more active in this respect as far as social entrepreneurship is concerned.

V: Okay, so more media attention would you say now?

BW: Media attention and also in the field of politics. So politics has to jump on this bandwagon - it has to be done, because the topic will not be taken off the table, it will not go away, but it will HAVE to gain importance, I think.

V: Okay. Then I also talked in detail with the companies about networks and also asked whether it is generally easy to get a network. The answer was generally that if you grew up here - for

example in Vienna, if you grew up in Vienna and got to know all these people, then it's possible, but it's not possible for everyone and that's why I wanted to ask now, what would you say would be necessary for such a network to be accessible for people who were not born and grew up here?

BW: In my opinion, this is a big problem in many areas. Many people don't know where to turn in which case. And that, I think, is also a point that the agencies, for example, know little or too little about each other or refer too little to the others. This knowledge is available, but in some cases it is not passed on or not communicated enough, so I am addressing economic development agencies in the same way. Because I am a member of the green economy in the regional management in Vorarlberg and when I talk to my colleagues about economic development, they ask me very shyly, 'Uh, where can I find information about economic development', but that is the green economy, they are all entrepreneurs. And the point is, the smaller the company gets, the greater the reluctance, the false reluctance to take advantage of economic development and help, support. A large industrial group has its own department for economic development, not only in the EU but also nationally, i.e. as far as the country is concerned. There is no false restraint, applications are made and subsidies are accepted, of course on a very, very large scale. And I think that is also a point where there is sometimes false restraint, possibly, and referring to each other or referring to where the right place is, I think there is a lot to do in this area. For example, if I want to do that and I go to the Chamber of Commerce and I'm at the wrong place, then the Chamber of Commerce must know 'Go to SENA, there's the address, there's your contact' and I doubt very much that that happens. And how to improve that, clearly, as a first point, medially, in the public, if that becomes aware, then such information is also spread more widely and reaches large circles of acquaintances.

V: So we are back to the first point, that you simply have to make it better known through the media.

BW: Yes, but of course it's exactly the same with cultural funding. I also know that from the artists, a large symphony orchestra has no [inhibition] to apply for a large arts and culture grant, they also know where. But the smaller you are, the guitarist who gives solo concerts on stage, first of all he has no time and no idea where to turn. And then there's false restraint, which was especially noticeable in the pandemic. And that, of course, is the wrong approach. I must always support my fellow musicians so that they don't shy away from it and give them the right number, the right telephone number.

V: I have a follow-up question: What I've heard in the interviews is that Austria is a country that is very hostile to start-ups, because of the bureaucracy and the lack of funding, because of the lack of information, which makes it more difficult. Would you agree with that?

BW: In part, yes. I can also compare it, I once founded a company in Lichtenstein and I think we met at half past eight and at half past eleven we toasted the newly founded company. And we did everything within two to two and a half hours. So everything. Registering the company, getting the financial and tax number, registering with the local chamber of commerce, everything included, including the bank account, all within 2 hours. Everything is also within walking distance, it's relatively small. But when I compare it with Austria, how complicated it is, how complicated it is, no question. And when it comes specifically to funding and support, I know that as a spokesperson for the economy, also because I am involved in such topics as business development and know how difficult it is in some cases.

V: Okay! Do you think there is a possibility to improve funding in Austria in general? Because now there is the possibility to register as a social enterprise and SENA also advertises that financing and funding will be easier if you can say that clearly. What possibilities do you see from a political point of view to improve financing?

BW: In Vorarlberg, for example, there is a small track - there is the Vorarlberger, a new social fund concept was created not too long ago and presented to the public - where, I'll read it to you now, "forward-looking ideas for equal opportunities, social coexistence are promoted". Over a period from now until 2025, i.e. within three years, one million euros will be available through the social fund. And there was a first call and the first three ideas were awarded prizes and financed last year, which is a very small start, I think. And this is exactly where the NEOS motion goes into this topic, because it puts this on the table and takes a look at this topic. And we simply try to make it clear that, as I say, when I found a company with the aim of supporting the common good, it also has an economic benefit. So what I would otherwise have to spend on subsidies or social costs, etc., I can possibly save quite a lot in the implementation, which I can in turn use for the promotion of business ideas. So if you understand how this can work, then I think it must be in the interest of politics to support this. But of course you have to be able to communicate that to everyone and be able to back it up with examples or evidence. I do believe that politics is challenged here, as it is in many other areas, for example, with regard to equality, to look much more at what levers politics has at its disposal. And if that is the case, for example, economic development is also a tax instrument in which I can set a certain course. This can also go in the direction of social entrepreneurship and also in the direction of equality.

V: Do you think you can inspire the ÖVP to show interest in social enterprises? So that they are told that they already have an economic purpose?

BW: I think so. You can get them excited about it if you give them the feeling that they invented it. If that's the idea of the NEOS or the Greens, it will be difficult. But it is possible, I think, because in certain circles of the Austrian People's Party or among certain people these issues have of course leaked out in the meantime. Like with climate change, they have somehow noticed that by now. But of course it's difficult and you don't necessarily open doors. But of course the most important argument is 'it's an economic issue'. To say that we are not throwing money down a hole here, but that we are supporting an initiative, an idea, which, if I look at it holistically, is or can be an economic success. Of course, if I'm going to pay subsidies and I'm going to do it permanently because it won't be possible to finance it just like that, but I might save that again at another corner.

V: So there would already be possibilities to inspire them?

BW: Yes, I think so.

Judith Pühringer

V: First I have to ask you if it's okay anyway if I record all this, transcribe it and then use it for my Master's thesis.

JP: Yes, totally okay!

V: Okay, my Master's thesis is about social entrepreneurship, what I'm specifically talking about are the challenges that one has in Austria as a social entrepreneur. And that's where I - I found

out five specific ones and concentrated on them. It's about the importance of networks in social enterprises, whether it can happen that one loses the focus, i.e. the people, and only concentrates on the one solution that one has found, which was also criticised, what I found was that social entrepreneurship no longer has to be ethical, because it solves a social problem but can lose sight of ethical aspects to some extent - I also asked whether that is possible. That women are missing in empirical research on social enterprises - how that stands out - and then such general problems with founding and management. And I asked 10 social enterprises - male and female entrepreneurs - what their opinions were on this and what they saw as major problems, and I would like to ask - which has already been said a lot - that there is a lack of presence, that many people still don't know what social entrepreneurship is, and I wanted to ask what you think can be done to bring social entrepreneurship closer to the general population?

JP: That's a big question and it's a question that has been around from the very beginning of social entrepreneurship. How can we create awareness for this type of enterprise? And I do believe that it is becoming easier and easier to make social entrepreneurship a big issue. It used to be a niche topic - I myself worked in the field for 15 years and was a bit part of the generation of social entrepreneurs who were still below the threshold of perception at that time. Those were the social, innovative, integration companies, companies that worked with the long-term unemployed.

V: At ArbeitPlus?

JP: Yes, exactly. In this respect, these kinds of social enterprises are very familiar to me. And these companies were founded in the 80s, in the 1980s of the last century, so to speak, and they were actually completely unknown at that time. And then came a new generation of founders who were very strong around the impact hub, for example - the social impact hub - and they started to totally establish this network, to institutionalise it and to really bring people together through this co-working idea who were united by an idea, so to speak, and then they started to contribute a lot, so that at least on a small scale there were always stages and spotlights on this scene. Nevertheless, we are still far away from saying "okay, what social enterprises are is common sense". So we are not there at all. And yet I think a lot has happened. So you asked specifically how we can raise awareness - or how we can create more awareness - for social entrepreneurship, and of course there are a thousand ways to do that. I believe that it always works well if you can, as it were, build on - if there are politically responsible people who then also say 'this is my topic, I'll make it big' with big campaigns because the sector itself has few capacities and resources to do image campaigns now, for example. Politics could do that, and that is a bit of a problem that I see, that at the moment there are no politically responsible people, neither at the federal level - because it is also a cross-cutting issue, that is the next topic - but also at the municipal level, I could not now say 'Okay, this city councillor stands for the topic of social entrepreneurship' - so now in the government - and has a big master plan 'Social Enterprises 2025'. I don't know anything like that, it would help to create awareness among the population. That is one point. The second point is, of course, in the corporate world itself, i.e. which private companies know what social entrepreneurship actually is. So of course there is also a large potential community. This is then the question of the representation of interests, the Chamber of Commerce, the business agency - there is a bit of activity because, in contrast to the past, there is already a funding track at the Vienna Business Agency or at the federal level at the AWS - in many quasi-classical business development systems that have opened up such small tracks. Not big style, but a little bit where the entrepreneurial community becomes aware of the fact that 'Ah, there are still these kinds of companies'. So all that helps to raise awareness,

so to speak. I think one of the biggest levers would be social enterprises simply being part of an economic strategy. This is very politically speaking, very broadly speaking, but if one were to say that within the framework of an economic strategy - nationally or also communally - one would primarily rely on social enterprises. That would of course a) greatly improve the order situation of the enterprises, but also contribute a lot to publicity. And then again, how can you do that? You can do it by awarding contracts, for example. I still think that is one of the biggest levers. You can say that a certain percentage of public contracts, in a city like Vienna, for example, should be tied to social and ecological criteria, and say 'I prefer companies that, for example, employ disadvantaged people, that have a social purpose and, in the best case, also fulfil ecological criteria', and they will be given preference. Because that is always the issue of awarding contracts - who gets them? Public procurement law says that everyone must be treated equally. But of course you can also control the economy through criteria in the awarding of contracts. But I don't see this great political vision anywhere.

V: So it would take a city councillor to get behind it?

JP: I think, yes, I think it always needs a person to personify it and above all it needs this clear political announcement. There are already a few cities - I'm talking totally at municipal level now - Strasbourg, for example, has introduced these award criteria and said 'Let's try that now'. Or in Amsterdam, too, this - by Kate Raworth, an economist who has developed and designed a Dounut Model of the economy, where she says 'It's always about human or social boundaries and then it's also about the ecological boundaries'. These are these two borderlines and within these borderlines the economy can move but there are, so to speak, boundaries. And that is, so to speak, a model that she has also developed for a city where she says that this is the economic strategy or city strategy - that a city commits itself within these boundaries and also within these human, social possibilities to do business, and social enterprises then naturally come into play much more strongly.

V: But you already see possibilities for politics to do something here?

JP: Absolutely! And not only possibilities, but I also see politics as having a strong responsibility here because politics can make it bigger, can make it more strategic, can think about social enterprises everywhere, can really say 'OK, you are part of a big, national strategy'. Otherwise, only the companies themselves can draw attention to themselves with image campaigns, with 'hello, here we are', with social media, with public relations, classically. But I think that because social entrepreneurs are so important, so decisive and actually such an incredibly important factor, also in this transformation we are in now. Because these are companies that work to some extent on a social solution, usually work innovatively, very often reconcile social and ecological issues. In reality, they are not geared towards profit maximisation, but rather reinvest the profits and always keep everything in a good balance. So these are actually pioneering companies for where we are heading right now and we should court them and tell them 'you go ahead and we will follow you and we want to learn from you'. But it's actually - so I don't see that anywhere on a large scale.

V: Okay. Then I talked about networks and what has already been said by all the social entrepreneurs, that a network is definitely necessary.

JP: Yes.

V: That everything can be built up well. Then my question was whether it is equally accessible to everyone and the answer was no, they don't think so. And now I wanted to ask how one can

make such a network more accessible. What would you say? Not only the official ones - because there is SENA, there is also ArbeitPlus (which is also a network), there is the social business hub in Styria (I also talked to them) - and they said that you can come to them. But how can someone who was not born here still have access to such a network, i.e. build up these connections?

JP: Yes, I think a lot has happened in this area, in the networking of social enterprises. I think these networks have grown gradually over the last few years and have also become stronger. You mentioned them anyway, SENA would also have come to my mind, they have organised themselves totally professionally, they have become bigger, there is a management - they are somehow totally well on the way and gather the community. ArbeitPlus is a network that is specifically active in this labour market policy area. In order to become a member you really have to work in a very special field - only if you work in this field you are quite privileged with this network work because the AMS promotes this network work. There is this pay-as-you-go system, which is super special, no one really has it, but it means that it is a network that has totally stable resources. Because here the client, the public, the AMS says, we want you to network. That is very special and very, very good. So if you are in the field of labour market policy, then it is very easy because it is low-threshold and the network is practically in front of you. But if you are not in this field, it is a bit more difficult to network. Otherwise, I don't know this hub in Styria, but it's good that there is one. Then there is the Impact Hub in Vienna. Everywhere where such co-working stories take place and where you say 'Okay, these are a few people who have to do with each other in a special area - in the area of education or in the area of women, they network in the sense of working locally and that is of course extremely favourable. It is always high-threshold because it is of course very often associated with costs because these co-working spaces are of course anything but cheap. So I think it's important to dock onto this community. Yes, you can make it even more low-threshold. I think the question is a bit of a political question: "Is there any form of political support and promotion for networking?" Actually, you could say that SENA will be like ArbeitPlus - although SENA is fully endowed with money anyway, but I don't know how much membership fee has to be paid for social enterprises. But you could also say that this membership fee is simply publicly funded, that's also a possibility. In the sense of the public sector saying: 'We have an interest in you networking'. I don't know, such things happen very little. Here, ArbeitPlus is quite an exceptional situation. But it is not impossible. So as far as - your question was rather, how can this access be facilitated? Maybe also a bit of access restrictions - i.e. membership fees - to be financed through the public purse. Or say, for example, that if you are growing, then the public sector will take over the membership fee, that's one thing. And the other is to make sure that there are such regional networks. You could also say to SENA: 'Okay, you are SENA, you are responsible for networking nationwide', but there are still regional hubs. That SENA then says: 'Okay, our regional hub in Styria is this social business hub, but what about Tyrol? What about Vorarlberg? etc. I am not a fan, but it is always necessary in our country to think in terms of the federal states and to say 'OK, how can the federal states somehow network well in the local regions'?

V: All right, then I still have the question - then it's about money. What possibilities do you see to improve the financing in general? Because there is now a legal form, SENA has worked with various bodies, including the Chamber of Commerce, so that you can now officially register as a social entrepreneur and also says that this should be made easier with the financing, but what other steps do you think could be taken here?

JP: Yes, the legal form is a good idea, I'm curious to see if it will prove itself in practice. We were working on it at the time and always had the impression that such a common legal form tends to fail because the lowest common denominator is so small, in the sense of what one then agrees on. But if an agreement has now been found with the Chamber of Commerce, that's great. However, I don't know - I don't know enough about the legal form - to know what exactly is connected with it, what facilitations there should be, if I now say 'I am a social enterprise, registered'.

V: SENA is also right, I don't want to say vague, but they don't say it so clearly. They just say that you can then officially say: 'We are a social enterprise and that is confirmed from the outside'. And it has been hinted at - the hope is that it will then be easier with the funding.

JP: Okay, but then we are more on a symbolic level, I would say. And the question is, is there concrete, is there tax relief or is there concrete access to funding? There is usually a bit of a question of 'what is involved'. A common legal form also contributes - in relation to your first question - to visibility. So if we say at some point 'OK, there are 150 registered social enterprises in Austria', that's an announcement. You can also name that, the community feels like a community, you can write that on your business card and so on. That makes everything visible. I don't know if this will make it easier to get funding, because then the visibility - I think that's a bit, you have to see what time will bring. Again, funding will come when there is a political awareness that it is necessary, that it is necessary on a large scale, that others join in, that one wants the sector to grow, that one wants the successful social enterprises to scale into other federal states or also into the German-speaking countries or even beyond. So if you have a strategy and say 'We want to promote social entrepreneurship in Austria in a big style', then there will also be funding, it's all a bit banal. So, is there a political agenda that says we want to promote it or does it remain a bit for the social enterprises? I think that's always the big question. So is there someone, a party, a political responsibility that says this is really important to me? I find it interesting anyway, I was in the NGO sector for 15 years, in social enterprises, and we always appealed to politics. And now I'm in politics - just in the opposition - and I have a bit of a feeling that in the end it's always totally about whether someone recognises it as important or not. And that is unfortunately also a bit banal. It is important to recognise this and to set it so high that budgetary means are also connected to it, that is, they are reserved.

V: In a private conversation once the opinion came up that the will to pay for it is rather low because people say 'You are doing this for charitable reasons, why do you want money for it?'

JP: Yes, but that is an absurd argument because these are companies that say we want to work in an entrepreneurial way. And through our entrepreneurial work we want to solve a social problem, so it goes completely beyond charity. That's also what's exciting about this concept, that you say 'okay, but there is indeed an entrepreneurial activity or an alternative form of doing business'. Or another model. But let's go back to your question, because you asked how we can [improve] this funding, financing etc.? So once again, on the one hand by putting it on the political agenda, by showing why it is so necessary, why these companies are actually total role models for the economy, why they are so essential now in the great transformation towards a hopefully socially ecological society that in reality also makes new ways of doing business possible. I also find it exciting that even in the definition of social entrepreneurship of the European Union - there is actually a definition on which everyone has agreed - there is one point that is always discussed quite wildly and I think that it is not implemented in many companies and that is that there is a certain form of participation of employees in the company.

This is formulated in a relatively vague way and left relatively open; many people say 'Yes, I have a works council anyway'. But I think there is actually a lot in it because social enterprises, in the best case, actually make a difference in the way they work together, how the ideas come about, how they run their company. They don't imitate classic companies, but perhaps organise themselves as cooperatives. Or perhaps they decide things collectively, introduce new decision-making structures in the company. I think there is still a lot to be done, it is still a relatively under-lit area, also because social enterprises in Austria are still [very] small and then there are maybe 10 people and then the question may not arise so much, but I think it is actually one of the most crucial questions. So, now I've digressed again, I'm coming back to the financing. So, once again, if there is the political will and thus public money is made available. The second issue is of course the whole issue of investors, so this whole issue of social impact investment. Of course, this is also a big issue. We are not really getting anywhere, I think also because Austria is small, because this investor landscape is also manageable. I mean, there is actually enough money, but the same people always meet in small circles and then there are the five well-known impact investors who invest, but who have their own requirements, so to speak. I mean, there is the social entrepreneurship fund. So there are already a few instruments that are very, very good. For example, I think the social entrepreneurship fund is great. I think Fair Finance is behind it - this sustainable pension fund, so to speak - and they have set it up for companies in the first start-up phase that want to move on to the next phase. I think things like that should be expanded. And above all, think about what social enterprises need along their life cycle, something different from a company that is growing so strongly, a company that is scaling, a company that is just stabilising. These companies all need different types of corporate financing, just like normal companies, and I don't think that's mature enough yet.

V: Okay, I have - this is another additional question that occurred to me in the course of this conversation: In conversation with many social entrepreneurs, many have told me that Austria is a very start-up-unfriendly country. Do you think that if it were more friendly, financing would be less of a problem? Or a less big issue?

JP: Yes, I think so. Because start-up friendly means easier access to funding, easier access to information, easier access to 'OK, here's a room, get started', easier access to networks, easier access to community. And everything is so bureaucratic here, it's very difficult, so it certainly has something to do with that. And founder-friendly also means easier access to "Where can I get good funding quickly?" But still, to be a little mild: a lot has happened in the last 10 years. When I think back, where was WorkPlus 15 years ago, where was this issue of social entrepreneurship? Just the fact that we're having a conversation here where you're doing a Master's thesis and you're not the only one, so this is a very popular topic, I really do a lot of interviews because a lot of people from university are interested in this topic. Because, of course, there's always a bit of a theme of "Where is our economy going now?" and that social enterprises are actually insanely exciting and are actually already going in good directions. In this respect, a lot has happened. A lot has also happened at the universities. The key word here is visibility. The fact that this has arrived so strongly in the academic world, that it is being researched, that there are studies, that there are courses, that there are master's theses on the topic, naturally contributes to visibility. You also contribute to visibility with your work, and you can be proud of that because of course you also make an important contribution.

