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**STRATEGIC RESOURCES AND CAPABILITIES OF SOCIAL ENTREPRENEURS
REQUIRED FOR BOTH SOCIETAL AND FINANCIAL VALUE THROUGH
PARTNERSHIPS**

Master's Thesis by the 2nd year student

Concentration Management

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ЗАЯВЛЕНИЕ О САМОСТОЯТЕЛЬНОМ ХАРАКТЕРЕ ВЫПОЛНЕНИЯ ВЫПУСКНОЙ КВАЛИФИКАЦИОННОЙ РАБОТЫ

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Ключевые слова: Социальное предпринимательство, Стратегические ресурсы и возможности, Создание общей ценности

Цель исследования: Определить бизнес-факторы, обуславливающие успешное партнерство между социальными предпринимателями и крупными корпорациями, и их вклад, ведущий к эффективной совместной работе и созданию общественной и финансовой ценности в рамках этих партнерств

Цели исследования:

1. Провести обзор литературы в области стратегических ресурсов и возможностей социального предпринимательства и способов его взаимодействия с крупным бизнесом.
2. Рассмотреть наиболее подходящие теоретические подходы для описания управления ресурсами и способностями и разработать опрос на их основе.
3. Собрать данные, опросив социальных предпринимателей в России посредством интервью.
4. Провести описательный анализ результатов опроса и выполнить качественный нарративный анализ в сочетании с анализом теории оснований.
5. Сделать выводы относительно стратегических ресурсов и компетенций необходимых социальному предпринимательству и их развитию, которое влияет на создание социальной и финансовой ценности при вступлении в партнерства с крупным бизнесом.

Результаты:

В результате качественного анализа полуструктурированных интервью социальных предпринимателей и крупных корпораций было выявлено десять важных выводов и сделано три предложения. Были определены необходимые ресурсы и возможности, которые помогут социальным предпринимателям создавать и поддерживать партнерские отношения с крупными корпорациями. Например, умение работать в рамках правового поля, применять основы деловой грамотности, умение говорить на "языке выгоды" и быть гибким. После анализа были сделаны предположения, что юридическое создание социальных предприятий может увеличить шансы социальных предпринимателей на партнерство с крупными корпорациями. Более того, деловой опыт, бизнес-грамотность и сеть профессиональных контактов дают социальным предпринимателям преимущество, которое помогает установить партнерские отношения с корпорациями. Наконец, системный подход и открытость в общении и действиях могут сделать партнерство с корпорациями более длительным и эффективным.

ABSTRACT

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Thesis topic: Strategic Resources and Capabilities of Social Entrepreneurs Required for Developing Both Societal and Financial Value through Partnerships

Keywords: Social entrepreneurship, Strategic Resources and Capabilities, Value creation

Resources and capabilities of social entrepreneurship in general and their role in establishing sustainable partnerships with large corporations in particular provide valuable insights on the business development. This paper examines the role of the strategic resources that social businesses apply to create collaborations with large enterprises and their impact on the efficiency and duration of the value creation, using qualitative narrative analysis combined with ground theory analysis.

Research goal: Identify the business factors that make successful partnerships between social entrepreneurs and large corporations and their contribution leading to effective collaborative performance and creation of societal and financial value within these partnerships.

Research objectives:

1. Conduct literature review regarding strategic resources and capabilities of social entrepreneurship and instances of how it interacts with large corporations.
2. Select appropriate framework that describe resource and capability management techniques and develop a survey based on them.
3. Collect primary data from social entrepreneurs in Russia via interviews.
4. Conduct descriptive analysis of the survey results and perform qualitative narrative analysis combined with ground theory analysis.
5. Make conclusions about the strategic resources and capabilities needed for social entrepreneurship and their development, which affects the creation of social and financial value when entering into partnerships with big business.

Results:

As a result of a qualitative analysis of semi-structured interviews of social entrepreneurs and large corporations, ten important findings were discovered and three propositions were made. Necessary resources and capabilities were identified to help social entrepreneurs create and maintain partnerships with large corporations. For instance, competence to work within legal boundaries, apply basics of business literacy, ability to speak the “language of benefit”, and be flexible. After analysis, the propositions were made stating legal establishment of social enterprises could increase chances of social entrepreneurs for partnerships with large corporation. Moreover, business experience, business literacy and network of professional contacts give social entrepreneurs advantage that helps to establish partnerships with corporations. Finally, systemic approach and openness in communication and actions can make partnership with corporations longer and more efficient.

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INTRODUCTION

The concept of social entrepreneurship has been drawing the attention of business specialists as well as wide audience since it became clear that the well-being of societies among all depends on resolving its social, cultural and environmental problems. People have developed a strong interest in discovering efficient ways of approaching these issues through different lens. Social business is one of the instruments that relevantly attracts and integrates business entities into the process of creating financial and societal value, while enhancing the welfare of communities and nations by addressing social problems. This idea takes the root from the concept of creating shared value where companies integrate social and environmental agenda in their corporate strategy and attain competitive advantage through it (Porter & Kramer, 2011).

Moreover, due to its dualistic nature, the notion of social business combines the pursuit of generating profits while achieving a social change and making a profound impact (Samer Abu-Saifan, 2012). Therefore, there are certain struggles that social entrepreneurship faces in recent years in relation with finding the perfect balance between two equally important goals. The experts provide numerous reasons stating why it is critically important to support this type of business, as it may become a fundamental pillar of economy (Al-Qudah et al., 2021; Jilenga, 2017). Hence, there is a necessity to research the opportunities as well as possible pitfalls caused by this duality.

Finally, it is fair to assume that people can achieve even greater results in creating societal and financial value by establishing synergy through partnership. Particularly, when one actor cannot solve some particular social issues, collaboration becomes an efficient answer. Partnership between social entrepreneurs and large corporations can come in different forms and formats. It is important to explore types of partnerships in which social entrepreneurs are usually involved and how they create value through them. Since there are not enough studies that demonstrate, what social entrepreneurs need to attract such partnerships and, in fact, the question that remains unanswered in general is what the success drivers in the existing collaborations. The main idea of the research is to come up with applicable recommendations about particular core competences and strategic capabilities that will promote collaboration and help any business succeed in achieving goals of sustainability and resolving socially significant problems.

Research gap:

Although there are very successful cases of collaboration between social entrepreneurs and large corporation, many social businesses struggle to identify key resources and capabilities that are needed to establish a long-term efficient relation that enable them to create value. There is a

lack of system and understanding of the integral factors that will allow social entrepreneurs enhance their social and financial performance through partnerships.

Research questions:

Which resources and capabilities help social entrepreneurs to establish partnerships with large corporations? Which combinations of resources and capabilities facilitate the creation of societal and financial value through these collaborations? How can social entrepreneurs develop these resources and capabilities?

Research goal:

Identify the key strategic resources and capabilities that help social entrepreneurs create societal and financial value while establishing efficient and long-term partnerships with large corporations.

Research objectives:

1. Based on literature review regarding strategic resources and capabilities of social entrepreneurship, the dualistic nature of social entrepreneurs and types of partnership with large corporations that social business establish, select appropriate framework that describes resource and capability management techniques and develop questions for interviews based on them.

2. Collect primary data from social entrepreneurs and representatives from large corporations via interviews.

3. By conducting descriptive analysis of the interviews and performing qualitative analysis, find out which resources and capabilities social entrepreneurs need to establish partnerships with large corporations.

4. Make propositions regarding which strategic resources and capabilities or their combinations facilitate the creation of societal and financial value through partnerships between social entrepreneurs and large corporations.

The paper consists of two main chapters. The first chapter is dedicated to the theoretical research on the social entrepreneurship and types of partnerships between them and large corporations. It includes overview of the definitions, analysis of different types of partnerships, identification of key strategic resources and capabilities that social entrepreneurs usually possess as well as literature review on social entrepreneurship and relevant theoretical frameworks. The second chapter is dedicated to the empirical part of research. It includes paragraphs on research design and data collection, interview results, descriptive analysis of the survey data, description of the constructs and Qualitative Comparative Analysis. In the last part of the paper the author makes conclusions, describes theoretical and practical implications, limitations and suggestions for future research.

CHAPTER 1. LITERATURE REVIEW ON STRATEGIC RESOURCES AND CAPABILITIES OF SOCIAL ENTREPRENEURS REQUIRED FOR BOTH SOCIETAL AND FINANCIAL VALUE THROUGH PARTNERSHIPS

1.1. Definitions of social entrepreneurship and the duality of a concept

Before exploring the topic, it is important to define a notion of social business or social entrepreneurship. Social entrepreneurship is a nascent concept of characterizing a special business entity. However, a lot of confusion follows this term because of the dualistic origin of social business, where commercialization must be combined with social benefit. Embracing the idea of creating shared value through building sustainable business models and figuring advantages as well as disadvantages of such arrangements will help integrate social entrepreneurship into the current business stream.

Even though the world economy has achieved great success over the past century, numerous enthusiasts of sustainability claim that the economic development has arrived at the tremendous expense of environmental abuse (Hoffman et al., 2010). Allegedly, traditional business models are no longer able to address the social and environmental problems of our day (Alexander, 2003; Draper, 2005). For this reason, hybrid type of organizations logically take their places in the world economy being able to meet “the needs of present generations without compromising the ability of future generations to meet their own needs” (World Commission on Environment and Development, 1987).

As an alternative to non-profit organizations that face problems of society and environment has emerged a nascent concept of social entrepreneurship. The following Fig.1 demonstrates how social business, being interchangeable with the concept of social entrepreneurship, is positioned on the graph between social profit maximization dimension and self-sustainability in terms of revenue generation (Yunus, Moingeon, Lehmann-Ortega, 2010). As a result, the definition of social business implies the place between social and financial value.

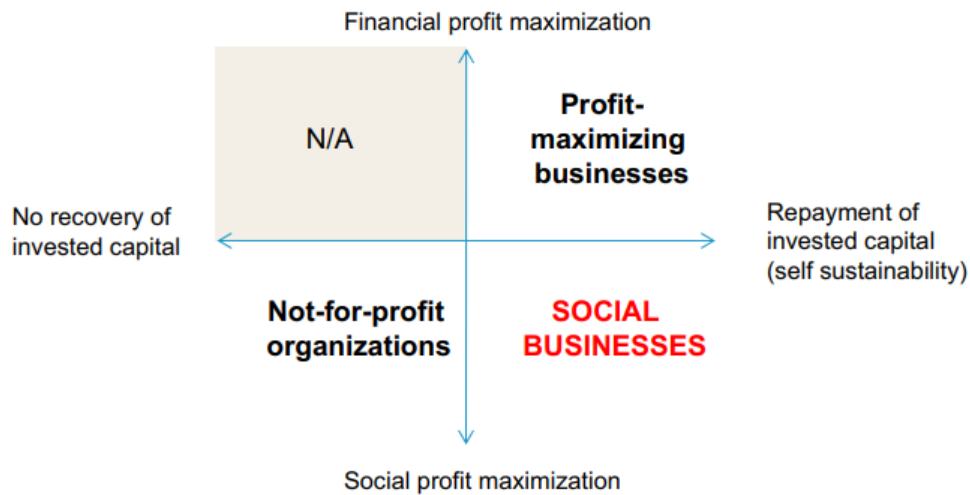


Fig.1. Yunus, Moingeon, Lehmann-Ortega, 2010

Our goal is to investigate the hybridity that may be partially caused by the duality of this concept. The article “In Search of Hybrid Ideal” (2012) the author, Julie Battilana, professor at Harvard Business School, defines the phenomenon of the duality of social business and seemingly unnatural combination of social welfare and revenue generation model as hybridity. Specifically, everything about the balance and being hybrid organizations of such structure are “both market-oriented and mission-centered” (Boyd et al., 2009). Earlier, some scholars refer to hybrids as organizations that pursue both commercial and social objectives where they deal with profits while creating social value (Davis, 1997).

Professor of Public Administration at Radboud University, T. Brandsen, proposed to evaluate the hybridity of organizations through the indication of actors. In other words, actors that mix characteristics of state, market and civil society define the organizational model as hybrid (Brandsen, 2011). It means that social entrepreneurs have hybrid organization model if they combine different agents.

Generally, according to the social sciences hybridity is a simple mix of features “on a continuum between two opposite poles” (Brozek 2009; Makadok & Coff 2009). The gap here is whether hybridity means the same as the duality and can be used interchangeably or one is the consequence of the other. There can be hybridity of organizational structure and duality of goals.

Another perspective to consider hybridity is to evaluate the relationships between the sectors. Sometimes the division between the sectors is diffuse (Sinclair, Mazzei, Baglioni, & Roy, 2018). The usage of hybrid management structures means integrating the public, private, and the third sector (voluntary sector) (Portales, 2019). Here we can see that duality of social entrepreneurship causes the hybridity of cooperation and communication with multiples spheres.

One of the most important thinkers in the field of integrative thinking, R. Martin, and the former president and CEO of the Skoll Foundation, which aims at supporting social entrepreneurs through grants and investments, S. Osberg presented a definition of hybridity based on pure forms of social engagement. This hybridity means the evolvement of different forms that lie within structure, action and result. According to the article “Social Entrepreneurship: The case for definition”, there are three pure forms of social engagement in relation to outcome and origin of actions that can be direct or indirect: social service provision, social entrepreneurship and social activism. (See Fig.2).

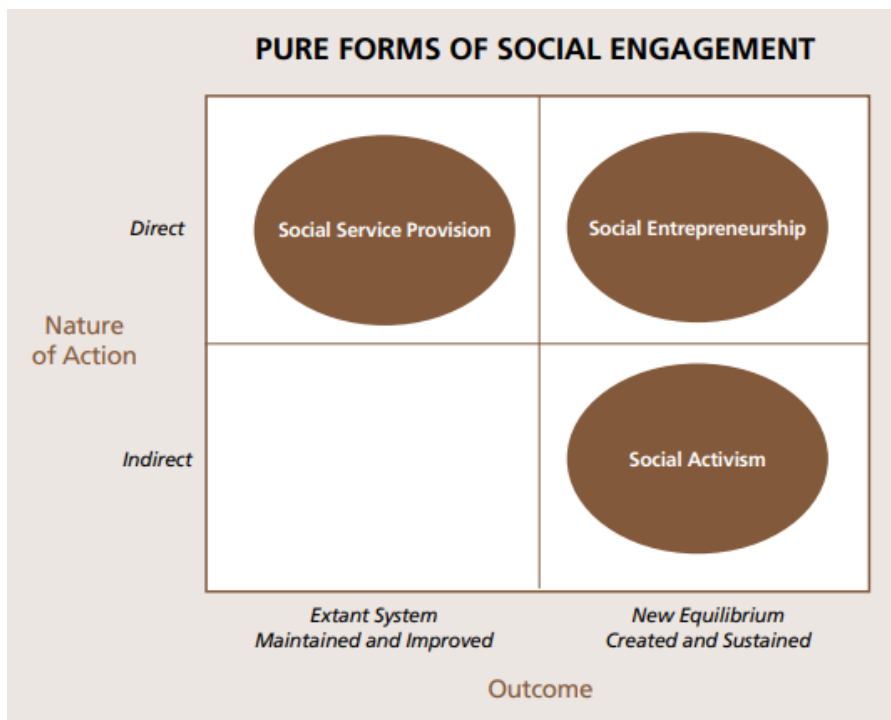


Fig.2. Osberg., 2007

The authors of the article divide social entrepreneurship into two distinct categories. The first form is social service provision. Social entities of this kind focus on an unfavorable current equilibrium or critical issue and devise a plan to remedy it. Such ventures, however, are unlikely to achieve a “new equilibrium” (See Fig.3) (Martin, & Osberg, 2015). They exist within a framework and the impact is constraint to a population of a specific region. Although social service lacks the entrepreneurial context for scaling or attracting additional resources, such social initiatives are still admirable due to noble intentions. Nonetheless, it is not synonymous to social entrepreneurship, since they are dissimilar in the outcomes. (Martin, & Osberg, 2007).

Equilibrium change

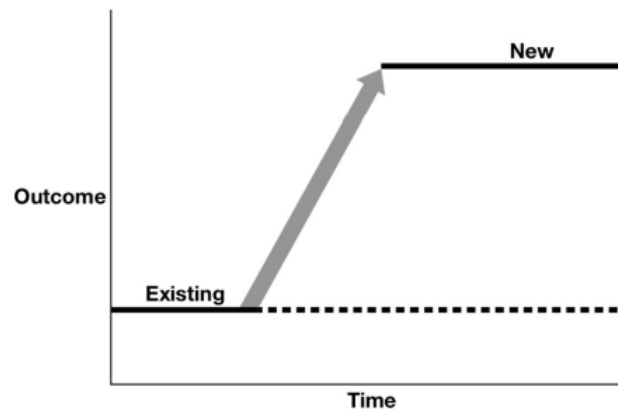


Fig.3. Martin, & Osberg, 2015

The second form of social ventures that differentiates from social entrepreneurship is social activism. Although there is the same driver of an adverse social equilibrium, the key cornerstone is the approach. For example, inspired and courageous social entrepreneur would have taken a direct action to face the problem, while social activists act through indirect channels by stimulating other entities such as the government, NGOs, or regular consumers to combat the challenge. Furthermore, social activists may not even create new ventures or business entities but still be able to make an impact and even create a new equilibrium (Martin, & Osberg, 2007).

However, in fact social ventures rarely exist in a pure form, which is why most of them tend to be more hybrid. For instance, “Yunus used social activism to accelerate and amplify the impact of Grameen Bank, a classic example of social entrepreneurship. By using a sequential hybrid – social entrepreneurship followed by social activism – Yunus turned microcredit into a global force for change” (Martin, & Osberg, 2007, p.37). This example demonstrates the hybridity that is related to different types of intentions and results. Moreover, it proves that it is absolutely justified that the nature of social entrepreneurial activity is fluid and evolves.

Additionally, hybridity can come from both social activism and social entrepreneurship with standard settings or certification organizations (fair-trade product certification) that social entrepreneurs can use as encouragement for market participant to initiate a social change. In the conclusion of the article, the authors remain positive that thorough understanding of definition of social entrepreneurship will help the development of this sphere (Martin, & Osberg, 2007, p. 39).

Thus, we see that there are different approaches to research the understanding of hybridity through management, actors and agents of value creation, ultimate outcomes, mission orientation, business strategy, design and structure. Building upon the notion, we will further analyze the advantages and disadvantages that come along with the hybridity that is the driver for acquiring

large-scale positive impact, but it also contributes to uncertainty and skepticism about the nature of social enterprises. (Agrawal & Kumar, 2018 p.32.)

1.2. Advantages and disadvantages related to the duality of social entrepreneurship.

Normally, there are two types of organizations with for-profit or non-profit focus and two types according to the kind of ownership. Therefore, there is a 2x2 grid demonstrated as a chart (See Tab3.) (Grassl, W., 2012). In case of social entrepreneurship, value creation is ultimate objective and, hence, gets priority over value capture, but in case of commercial entrepreneurship, value is created for the purpose of value capture (Seelos and Mair 2005). Legally there is an issue of navigating the business entity, since the grid narrows the classification and does not consider mixed forms. It is clear that social enterprise also aims at a commercial goal even if in a slighter less aggressive way. There is evidence that corporate law “is not effective in drawing distinctions by intended purpose” (Dees 1998; Brody 2003; Westall 2009; Boyd et al. 2009; Billis, 2010).

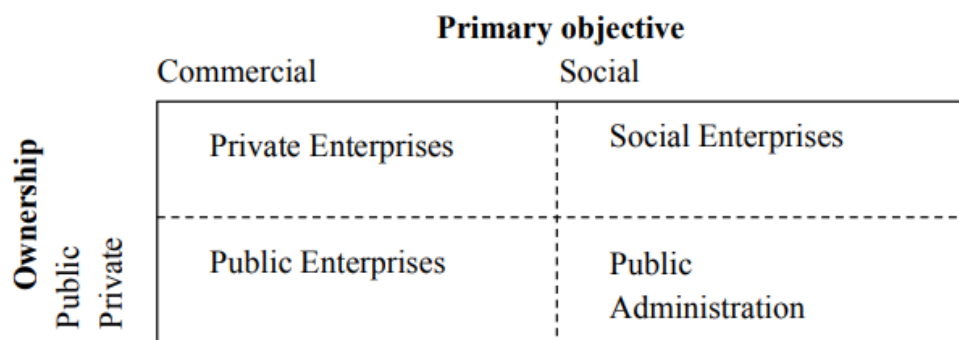


Fig.4. Battilana, 2012

From this point, we encounter the first major challenge that social entrepreneurs face due to hybridity of objectives that is a legal aspect. On one hand, we can have a hybrid registered as a non-profit. This action eliminates the possibility of engaging with capital markets and selling shares to investors, which is a big loss in terms of missing an opportunity for scaling business. On the other hand, when becoming a for-profit organization, social businesses lose the tax benefits from government even if they offer an exceptional social solution. Moreover, fierce competition for profit maximization may squint the priorities of creating a social change. Therefore, many social entrepreneurs have to establish two separate legal entities and juggle the advantages (Battilana, 2012). It is also crucial to be aware of legal details related to specifics of different countries that must be taken into account.

Financial difficulties also go together with hybridity concerning legal aspect. Non-profit organizations are normally eligible for the subsidies and the financial support from philanthropists.

Although these non-profit resource typically scarce, they still tend to be the main capital investment for enterprises with a social purpose. On the other side, for-profit organizations have flexible opportunities for financing through equity and debt. As a result, limited funding and access to resources drive social entrepreneurs to form collaborative relationships in order to achieve enterprise growth (Burkitt, 2010).

Julie Battilana highlights the peculiarities of a hybrid model based on a massive research of nascent social entrepreneurs randomly selected from more than 3500 applications received by a global non-profit organization that provides resources and strategic support to social entrepreneurs, Echoing Green, between 2006 and 2011. According to the research, the number of social entrepreneurs that used a hybrid business model has increased from 37% to 50% and led them to be less dependent on grants, donations and subsidies. Moreover, hybrid organizational models provide a wide range of innovation by being pioneers in creating a unique combination of activities from different streams. In other words, they may adopt a wide range of institutional work forms as creative responses to institutional complexity (Battilana et al. 2017; Jay 2013).

Royston Greenwood, a Professor at the University of Edinburgh Business School, developed a term of institutional complexity in a context of hybrid organizations. The author describes the operations of hybrids under conditions where actors of this organization are influenced by the values and assumptions that base multiple institutional logics (Greenwood et al, 2010). This hybridity implies that actors have to combine values that have different grounds, targets and logic behind them. As a result, stakeholders involved into social business experience the necessity of compliance with greater number of details that may be conflicting.

The argument above continues the discussion about disadvantages and challenges related to hybridity in social enterprises. For instance, institutional complexity mentioned above can be a source of innovation and creativity as well as confusion and energy consumption. Professor of Business Administration Wolfgang Grassl from St. Norbert College claims that building authentic hybridity requires energy since different spheres have their own “laws of motion” that make them difficult to change and deal with. For this reason, the efforts will create value only “if social enterprise is of the right type in terms of business model, strategy, and structure” (Grassl, W., 2012, p.60). In other words, entrepreneurs need to take into account specifics of the industry and environment, and calculate unique strategy and special business model, which takes effort and energy.

Furthermore, a scholar, Luis Portales, emphasizes the drawback of hybrid structures in a complicated operation system in the organization. He states that on one hand the complication

diversifies and strengthens the business model; however, on the other hand, it should comply with the social mission of the entity. (Portales, 2019).

Battiliana also raises an important point concerning the difference between customers and beneficiaries that becomes confusing with introduction of hybridity. Traditional for-profit organizations usually perceive their customers as direct consumers, while for non-profits consumers are beneficiaries. In case of a hybrid form, demonstrated by social entrepreneurs, goods or services have social value and result in both revenue growth and fulfillment of a social purpose. As a result, customers and beneficiaries become the same. However, the author underlines that for some hybrid entrepreneurs there is a difficulty integrating the creation of social value with hitting commercial goals during one business interaction. Hence, if several transactions are needed it may cause a drift from the mission because it is much easier to focus on one direction either value or profit generation.

Building upon the idea of how challenging it is to maintain the focus on the social mission, we encounter an additional obstacle that concerns corporate culture inside hybrid social businesses. Starting as passionate and dedicated enthusiasts with an idea of making the world a better place, social entrepreneurs scale their businesses into powerful organizations with a greater number of employees that may not fall under the influence of beliefs of social value creation. Consequently, social entrepreneurs face a problem of forming inspired organizational culture that will be equally devoted to efficient operations and a community mission. Again, creating and maintaining culture requires a lot of energy and resources.

In order for a leader to solve the above dilemma, Batillana and other scholars came up with the following recommendations. First, the authors advise to formulate and communicate values that reflect the organization's focus and are perfectly balanced between the social mission and business concerns. Second, there is extra weight on identifying the most capable employees during the hiring process. Namely, future employees should be initially ready to embrace the fact that it is crucial to have a mindset aimed at pursuing both societal and financial value. Once hired, employees need to be exposed to constant development and management.

However, as for the candidate selection, there are also different scenarios. Since hybrid organizational structure is rare, there are not many experienced candidates in a similar environment. Alternatively, social entrepreneurs have to hire either candidates from only one field (profit or non-profit) or make a mix of employees. People who worked in the same field are unlikely to get into cultural clash; nonetheless, it may initiate risks of losing the mission out of perspective. According to Battilana, the latter happens because employees can unconsciously return

to behavioral habits that they learned from previous work experience. The opposite situation can also arise because diversified workforce with different backgrounds can help organization acquire the mission balance but the possibility of inner conflicts rises tremendously.

To conclude, choosing hybrid organizational structure, social entrepreneurs express adaptability, creativity and flexibility. Proved by research, hybridity as a unique feature that separates social business from strictly non-profit or for-profit organizations. Nonetheless, social business struggles with novelty of this concept, still, figuring out alternatives to resolve legal, cultural and operational challenges. We see that being a complex characteristic of a business organization, hybridity of the social entrepreneurship is a source of both advantages and disadvantages. The main difficulties are related to the choice of a legal format. Being registered as a for-profit or non-profit makes social entrepreneurs choose between giving up the advantages of tax benefits or eligibility for public financial aid in a form of grants. As a middle ground, differentiated legal structure has yet many confusing aspects. Among other challenges: complicated operational structure of combining social and financial value creation, distinguishing between customers and beneficiaries, maintaining strong focus on a social mission and creating engaging corporate environment for employees that encourages to follow both goals simultaneously. Nevertheless, hybridity also brings benefits that leave room for creativity, innovation, and inspired employees.

1.3 The concept of partnership between social entrepreneurs and large corporations.

In this part of the research paper, we will start with analyzing a general idea of partnership and its place in the business world according to several management theories. At this point of research, we will not be particular about the parties involved just yet. In other words, participants can be any pair of organizations: two for-profits enterprises, government and for-profit, NGO and for-profit. Evaluating approaches proposed by the theoretical frameworks in terms of which motivators and benefits of partnership exist, we would work the way to that scope of collaborations where particularly social entrepreneurs and large corporations join their forces. It is important to understand the motives behind the initiation of a contact and its strategic value, trace the similarities of actions that catalyze collaborations and, finally, prepare the base for later elaboration about necessary resources and capabilities that social entrepreneurs must possess to create the maximum value and establish the greatest synergy.

Starting with a classic definition from an online Cambridge Dictionary, we must state that partnership is “an agreement between organizations, people, etc. to work together”. This notion

emphasizes the fact of voluntary collaboration and mutual involvement from a general perspective. Merriam-Webster defines partnership as “a legal relation existing between two or more persons contractually associated as joint principals in a business” (<https://www.merriam-webster.com/dictionary/partnership>). Here, partnership is perceived as an interaction organized by law. The definition also highlights the joint mechanism and mutual work principle meaning that both parties benefit from this business communication.

Normally, partnership is seen as active and continuous interaction between two participants (Austin, 2000). These partners get access to resources that can be used mutually. Plus, both organizations are likely to have the common goal or aim that cannot be addressed by each party separately (Gray, 1985). In English language, many synonyms mean closely the same ideas “partnership”, “alliance”, “cooperation”, “collaboration”. Hence, we may substitute the terms throughout this paper. Moreover, strategic alliances are defined as voluntary arrangements between organizations that allow them to share resources, coordinate joint promotions, commonly use production sights, or develop new products or technologies (Gulati, 1998).

To sum up, we have identified that partnership is a broad understanding of a voluntary alliance between two entities with the same interest or need that they can fulfill, achieve or get closer to only through the process of combining their efforts and resources. Now, we will elaborate on a question of rationale. In other words, we will apply several theoretical frameworks to fill the gap: “why do organizations participate in mutual sharing of resources?”

First, we turn to **resource-based theory (RBV)** that focuses on the analysis of various resources possessed by the firm while a firm is equivalent to a broad set of resources that it owns (Das, T.K& Teng, B., 2000). At the same time, RBV contributes into the idea that “a firm’s competitive position is defined by a bundle of unique resources and relationships” (Rumelt, 1984: 557). As stated by a researcher Kathleen R. Conner, the difference in companies’ performances correlate directly with its possession of unique inputs and capabilities (1991). However, it is still unclear how this theory regards strategic partnership. Since collaborations appear as the answer to the need of getting access to other organization’s resources, the perspective of resource-based view theory is relevant in this situation.

Based on the assumption that resources are scarce, resource-based view theory concentrates on value maximization and resource integration, unlike cost minimization logic. Moreover, resource integration is not tied to specific or shared type of industry (Hennart & Reddy, 1997: 5). From this point of view, scholars Eisenhardt and Schoonhoven (1996) investigated possible reasons for partnerships and discovered that, presumably, collaboration is a result of both firms

being in need of resources or both being in a social position of power and readiness to share valuable resources.

In the article “Theory of Strategic Alliances” from Journal of Management, the authors conclude that motivation for alliance is “to aggregate, share, or exchange valuable resources with other firms when these resources cannot be efficiently obtained through market exchanges or mergers/ acquisitions” (Das & Teng, 2000). Consequently, partnership has the main goal of creating the maximum value through available resources by putting them together with resources supplied by the other firm and in outcome acquiring the optimal result. Hence, resource-based view theory explains the rationale of creating partnerships.

Following the resource-based view approach, the economist Bruce Kogut (1988), in his model of organizational learning, claims that alliances are mainly based on knowledge and technology. He elaborates on this thought by offering two rationales. First, the goal is to obtain exclusive expertise (know-how) of the other company. Second, to retain own expertise while taking advantage of the resources from another firm. Nevertheless, this point of view implies the exploitation of resource from another firm in order to create or maintain high rate of value creation/maximization. In sum, resource-based view theory states that the collaborations between companies emerge because both firms are need of the resources and capabilities that can guarantee them value maximization.

Second, we will consider partnerships through the prism of **stakeholder theory** whose pioneer was Freeman (1984). Further, this theory was progressed by Mitchell et al., (1997), Rowley (1997), and Donaldson & Preston (1995). To begin with, in 1963, the Stanford Research Institute introduced concept of stakeholders for the first time, stating that stakeholders are the groups that support the company and once the company is deprived of theirs support, the company fails to survive. Later, Freeman (1984) started to differentiate the notion of stakeholders and shareholders, claiming that organizations should make strategic decisions maintaining the interest of multiple participants around organization not only those who hold shares. In his strategic vision, a stakeholder is an individual or a group that affects or is affected by, the achievement of organization’s goals (Freeman, 1984). Consequently, partners being in a collaboration with a firm are stakeholders, at least during the time of projects, because partners are affected by the result and participate in progress. In relation to our topic of investigating partnerships between social business and corporation can be equally perceived as stakeholders.

According to the stakeholder theory, every organization has to identify stakeholders, establish the process of identification and interpretation their needs, and build structured

relationships with them and concerning organization's objectives (Clarkson, 1995; Donaldson & Preston, 1995; Mainardes et al. 2011). For every partnership, social entrepreneurs also have to understand the interests and needs of a corporation as a stakeholder and evaluate its impact on the goals of social enterprises. Similarly, social business needs to have an idea how to classify corporations.

Technically, alliances between social enterprises and corporations make them stakeholders even though they play different roles in those collaborations. The dynamics between social enterprises and corporates can be different, for instance, Crosby applies stakeholder analysis according to criteria of stakeholder interest and influence (Crosby, 1991). Another classification is based on attributes of cooperation and competition (Freeman, 1984). Achterkamp and Vos proposed a role-based stakeholder model that involves client, designer, passively involved, and decision-maker (Achterkamp & Vos, 2008). Callan, Sieimieniuch, and Sinclair (2006) classify stakeholders in relation to responsibility types: controller, executer, constraining advisor, and discretionary advisor. These models partially explain some types of collaborations that social entrepreneurs create with large corporations from different perspectives. Mainly, corporations become valuable clients that provide distribution channels or exposure to customer insights and relevant data. In this sense, corporates are clients that have certain influence, interest and level of cooperation that allows them to be considered as stakeholders. However, stakeholder theory, the fact of creating trustworthy and loyal alliance is applicable to all types of partnerships.

Now, as we know that according to stakeholder theory the motivation for stakeholders to participate in alliances is guided by the goal of creating value for all the stakeholders through discovering common interests and needs, we will focus on types of collaborations that can be drawn from the stakeholder theory that also have different rationale behind them.

Cappelen (2004) underlines three types of relationship approaches among stakeholders: voluntarist, communitarian and mutual benefit. From this framework, we can extract insights regarding motivation and the nature of partnerships. First, voluntarist relation means interdependence that involves intentional entrance and acceptance of some obligations. Second, communitarian approach refers to shared identity relations based on being a member of the same community. Third, mutual benefit is a type of relation among stakeholders when the result of cooperation is the goal of creating greater social good. In case of partnership between social entrepreneurs and large corporation, there is a fit with the latest type of relation where stakeholder theory explains the collaboration between enterprises when both parties intersect at the point of addressing social problem.

Third, we will apply **resource dependence theory** into discovering the rationale of partnerships. The business scholar of an American origin, Jeffrey Pfeffer, and the American theorist Gerald R. Salancik are considered founders of resource dependent theory (Delke, 2015). In their article “The External Control of Organization, A Resource Dependence Perspective” (1978) an organization can be characterized as an open system, dependent on contingencies in the external environment (Pfeffer & Salancik, 1978, p. 1). According to the theory, organization’s survival depends on its ability to obtain and retain resources (Pfeffer & Salancik, 1978, p. 2). Here, the concept of power plays an important role because control over the strategic resources in an organizational environment is integral (Ulrich & Barney, 1984). Therefore, organizations limit the power of other organizations over them whereas enhancing their own power over others (Hillman et al., 2009). Hence, this approach shows that organizations are not autonomous and are in state of interdependence.

Interdependence, consequently, leads to establishment of mergers or alliance. Nevertheless, it is important to highlight that notion of interdependence requires certain separation and has two dimensions. Casciaro and Piskorski (2005) distinguish two facets of resource dependence: power imbalance and mutual dependence. Power imbalance assumes that one actor has a better positioning; therefore, the chance of creating such partnership is less. As for mutual dependence, it is harder to identify a weaker or stronger actor (Chiambaretto, 2015). At the same time, alliances between social entrepreneurs and corporations can be put into the third dimension because the dynamics is usually complimentary not rivalry. At the same time, while social business needs collaboration as a matter of survival, corporations mostly focus on solving social problems. On one hand, social entrepreneurs require financial and strategic resources from corporations as in a power imbalance type of interdependence. On the other hand, from a standpoint of addressing social problems, social business and corporates can be in mutually reliant interdependence. As a result, resource dependence theory is applicable to such types of alliances; however, the dimension can shift depending on a particular example of collaboration.

To conclude, we analyzed three theories: resource-based view theory, stakeholder theory, and resource dependence. All these ideas offer different rationale for establishing partnerships. First, RBV states that collaborations happen because the fact of unifying, aggregating and merging resources results in value maximization for both parties. Second, stakeholder theory affirms that the main point of alliances is the goal of enhancing wealth of every stakeholder. However, an organization has to identify stakeholders, their needs and interests. Nevertheless, as soon as a partner is considered a stakeholder, an organization will work towards satisfying needs of a partner as a stakeholder as well as its own. Third, according to a resource dependence theory, companies

engage in partnerships because they need access to another company's resources in order to maintain or create own competitive advantage. Hence, partnership is a way of obtaining resources since every organization represents a compilation of resources. Seeing all three theories, we may conclude that organizations collaborate to achieve greater results (maximize value, increase wealth of stakeholders) and get access to resources. Notably, the question of power classifies organizations in weak and strong position. Therefore, from strong positions companies grow even bigger and wealthier, while weak ones use collaborations to survive or acquire better positions in a market. Collaborations demonstrate means of achieving strategic and financial success. Some notions conclude that organizations collaborate when they cannot pursue the common goal on their own. In case of social entrepreneurs, corporates and social ventures engage because each party follows its individual goal, which sometimes is the same.

An additional discussion opens when we can spot that the notion of partnership is interchangeable with the idea of cross-sector collaboration, according to some research papers. These alliances usually define scopes beyond financial value creation where organizations from the business, government, military and community sector work together to achieve solutions to social problems (Crane & Seitanidi 2014). In addition to reciprocity, the notion of partnership in this context is supplemented with the emphasis of the social goal. Specifically, partnership is more than just a transactional relationship. In this work, we will also combine the essence of partnership with the approach to a definition of cross-section collaboration.

Getting deeper into the context of social entrepreneurship, we will examine the specifics of relationship between businesses and non-profit organizations in a commercial sense. In 2009, scholars Sagawa and Segal mark partnership as a collaboration that helps to follow common goals, while leveraging joint resources and capitalizing on the respective competences and strengths of both partners (Jamali, 2004; Nijkamp et al., 2002; Pongsiri, 2002; Widdus, 2001). In other words, above mutual collaboration the authors place the idea of creating synergy between two business entities as an integral one.

Getting more specific into collaborations between social entrepreneurs and corporations, we will investigate non-academic literature prepared by specific sources that closely deal with social business in practice. Now, we will classify the rationale for collaboration from a practical perspective rather than theoretical. According to the report prepared by UnLtd, The Foundation for Social Entrepreneurship, corporations get into partnerships because they want to build reputation, attract new customers or exceptionally promising employees by means of an improved brand image. Beneficial effect on reputation and power (Oliver, 1990) as well as increased social status, and recognition (Stuart, 2000) equally become valid reasons for corporations to collaborate.

Many scholars relate recently increasing importance and popularity of Corporate Social Responsibility with enhanced number of business participating in activities that address social and environmental issues (Considine, 2008; Giguere & Considine, 2008; Crane & Seitanidi, 2014). The bottom line here is that organizations seek for benefits that will come from a better brand visibility, which will be connected to environmental or social good.

Furthermore, there is a proved trend of a recently changed dynamics between businesses and enterprises with social goals. Corporations switch from adversarial interaction to legitimate and collaborative dialogues with NGOs and organizations that solve socially valuable issues (Kourula & Laasonen, 2010). Mentioned in the article that focuses on NGO-Business relations by Laasonen et al claim that “partnerships between businesses and nonprofit organizations are an increasingly prominent element of corporate social responsibility implementation.” (Seitanidi & Crane, 2009, p. 413). In sum, organization collaborate to follow corporate social responsibility agenda.

Apart from the social pressure, profit-oriented organizations collaborate with social enterprises because not only they demonstrate commitment to their CSR strategy but also because they seek for trustworthiness from a community where social business operates (Di Domenico et al. 2009). Being associated with a benevolent mission of social entrepreneurs, corporates fall under the light of “making the world a better place” that also enhances their reputation distinguishing from competitors in the eyes of customers and increasing productivity gains (Lee 2011; Porter & Kramer 2011). As a result, partnerships give access to valuable resources such as communities and an additional customer base.

Whereas some advantages of partnership are easily detectable, increase in profit is hard to connect to partnerships since many variables are in an equation. Even tough studies that are more recent have identified positive relations between financial results and corporate partnerships, the most reliable way to evaluate them is by measuring costs and risks (Austin, 2000). The author gives an example of cost of resources spent on the establishment and management of collaboration compared to its opportunity costs. As a result, calculations of benefit-cost ratio seem complicated because not everything can be interpreted into a monetary equivalent. Furthermore, strategic value of a partnership can outweigh its financial value, which is why the benefits from alliances are individual and surrounded by uncertainty.

Among intangible benefits, corporates have an opportunity to be exposed to an alternative way of dealing with stakeholders, problems and employees. Hence, there is a lot to learn from social business. Social entrepreneurs are devoted, mission-driven, empathetic, and have

interpersonal qualities that help them better reach the impoverished or understand social distress (Jamali, 2003). It means that corporates can capitalize even more, for instance, by inspiring their employees with the example of social business dedication and drive demonstrated through partnerships.

In practice, a law firm Hogan Lovells Business in its UN Global Compact Communication on Progress 2020 reports the results from collaborative pro bono services when lawyers at the beginning of their careers give advice to social businesses. During coaching, mentoring and assisting social entrepreneurs, lawyers reported the enhancement of corporate culture and satisfaction: employees develop strong sense of purpose, openness, and inspiration. As a result, overall wellbeing, motivation and efficiency of workers improves thanks to these types of interactions (the UnLtd, 2017). Plus, according to the official website, HL BaSe Training Programme works as an MBA for lawyers and helps them to accelerate and diversify the growth of their expertise.

Meanwhile, in 1994 R. Kanter in an article in Harvard Business Review argues that the main ingredients for effective collaboration between business parties should include individual excellence and strong value from both partners, strategic importance of such alliance, interdependence, investment, information exchange, integration, institutionalization and integrity (Kanter, 1994). With closer evaluation, it may seem that key factor that guarantee success for partnership between organizations resemble the ones required to establish relationship between humans.

In the work by N. Barnabas et al, the authors refer to partnerships between for-profit organizations and non-profit organizations as social alliances. In case with social business, such collaborations are called social entrepreneurship alliances (N. Barnabas et al., 2020). The main goal of an alliance, according to Porter and Kramer, the 'real social entrepreneurship should be measured by its ability to create shared value, not just social benefits' (Porter & Kramer, 2011, p. 70). In other words, unifying feature lies within the idea that all types of partnership include the fact when both parties become allies to create value for themselves and for solving social problems.

From the side of social entrepreneurs, a scholar, Sema Sakarya names secure financial support as the main advantage coming from partnerships (Sakarya et al, 2012). Social ventures normally struggle with finding alternative and additional resources to sustain businesses financially, for this reason, collaborations with large corporations bring safety and spare time for achieving social goals.

Moreover, partnerships play an important role in strategy, which is usually complicated and challenging due to hybridity. Thanks to partnerships, social entrepreneurs gain strategic support, develop a strong competitive position that alleviates access to market and business knowledge as well as strengthen their mission and purpose (Davies, 2009). Also, it is well established that corporates, being successful market players in terms of revenue generation, have many resources at their hands such as impeccable managerial competences, technical know-how, creativity and access to finance for research and innovation (Osborne & Gaerber, 1992). Similarly, social enterprises might have a chance to approach and share these capabilities/resources as well.

Based on the goals of the partnership The Foundation of Social Entrepreneurs in the UK offers a classification of model that corporations and social entrepreneurs. There are four models of collaboration. The first model is **skills partnership**, which is similar to the one described by Business Fights Poverty. It focuses on the development of complementary skills and values that positively influence all the individuals involved. For instance, Professor of Business at Arizona State University, Certo S.Trevis claims that social entrepreneurs have an acute understanding of social needs, and then fulfill these needs through creative organization (Trevis, 2008). In other words, there are specific competences and skills that social entrepreneurs have developed through their professional activity. Once shared, the experience of such ventures can be adopted by large corporations. Similarly, big enterprises in partnership with social businesses can improve their models and build the bridge of knowledge. Having all the resources in abundance, large corporations can provide social entrepreneurs with mentorship, expertise, funds, network and human resources. Therefore, corporates will acquire motivation for their employees through giving them an opportunity to build a better world, an access to new fields of interest for a company and a new source of innovation. As a result, there is a win-win situation.

The second model includes collaboration through incubation, investment, joint venture, acquisition or **corporate social venturing**. The key differentiating point of this model is that collaboration brings return on investment for the corporates while social business mitigates risks coming up with innovation. This model also implies that corporates can offer co-working spaces or other incubated investments such as finance, expertise and training to social entrepreneurs.

The third model of partnership is **supply chain collaboration**. It is more of a trading relationship that involves establishing responsible value chains. The UnLtd provides an example of Buy Social Corporate Challenge, which is organized by Social Enterprise UK, that brings together large corporations with social entrepreneurs in order to engage both parties, where corporates acquire suppliers and social business grow their revenues by “tapping into corporate purchasing power” (www.socialenterprise.org.uk). According to the official web site, this firm

plays the role of the leading global authority on social enterprise with the biggest network of social enterprises in the UK. Having done its professional work for more than 15 years, this venture will be analyzed through the lens of core competencies and strategic capabilities further in this thesis.

Additional example for social business that interacts with large firms, according to the format of supply chain collaboration is PwC and Barclays. These companies contributed to reducing homelessness by acquiring coffee from Change Please London-based social venture (www.changeplease.org). This coffee place hires former homeless people, giving them a chance to make a living. Coffee carts are run by people who try to secure their living have started working relatively recently, but have already made an impact on the society and have been recognized by SEUK with “one-to-watch award”. This collaboration illustrates how corporates interact with social business and help with the establishment of supply chains.

The final model is called **strategic sponsorship**. With the help of an intermediary, large firms sponsor programs in the social entrepreneurial sector. This model implies flexible level of commitment and participation; however, it can also include some elements from the previous models. By providing funds aimed for a specific sector or area, corporates get their way to cooperate to make an impact on a society. For example, in 2021 JPMorgan Chase and The Careers & Enterprise Company started a project of 2mln pounds worth to help disadvantaged young generation in the UK to accelerate their careers. While The Careers & Enterprise Company set up by the government, the same way of collaboration can be applied for social entrepreneurs. However, the UnLtd warns that the results of such collaboration cannot be giving immediate outcomes and require patience and faith from the corporate side.

Another source, Acumen and Business Fights Poverty (2015), distinguishes three possible ways of collaboration. First, there are **skills partnerships** that focus on addressing limited resources of social entrepreneurs while establishing engagement and development of workers. Second model is a **channel partnership** that applies insightful customer and market knowledge from social businesses as well as impressive supply and distribution network from corporates to help social entrepreneurs scale up and corporates enhance sales and supply chains. Third type is a **venture partnership** that integrates risk management of social business that makes room for innovation and resources of big enterprises in order to produce innovative outputs or business models. Sometimes such partnerships result in **joint ventures or acquisitions**.

Looking at all the models, we could not help but notice that these frameworks demonstrate similarities and its classification is based on the related concepts of skill transfer, exchange of funds or physical resources to innovative products or approaches, venture approach of smart

investments. Next step for us is to identify what core competences and resources should social entrepreneurs have and train in order to be successful in finding and supporting partnerships. Organizations should be open and effective in establishing and finding suitable opportunities for collaboration. One way or the other, we understand that there has to be a strategic match between two parties. However, every relationships requires a lot of hard work and mutual contribution to be successful. Our goal is to analyze a set of success factors through a literature review.

1.4 Resources and core capabilities needed for partnership.

In this part of the thesis, we will explore resources and capabilities that are necessary for the establishing efficient collaboration from theoretical and practical perspective. An American professor in strategic management at the University of Utah, Jay Barney, defines resources the following way: “all assets, capabilities, organizational processes, firm attributes, information, knowledge etc controlled by the firm” (Barney, 1991, p. 101). Jay Barney places resources at the core of resource based view theory and claims that companies use resources to develop and preserve competitive advantage through (Barney, 1991). However, not all of the resources create an outstanding competitive advantage.

Thus, he offers a list of criteria that helps to classify resources and identify those that will help organization outcome rivals. First, “VRIN” criteria explains that resources have to be valuable. We can consider any tangible or intangible resources valuable when they add strategic value. Second, resources have to be rare, hard to obtain and not common so that competitors will not have the same access to them. Third, imperfect imitability of resources claims that they are hard to imitate or replicate. Finally, non-substitutability means that there is no alternatives for the resource (Madhani, 2010). Equally widespread is a “VRIO” framework by Jay Barney that offers similar approach for distinguishing resources that provide competitive advantage. This approach analyses resources from perspective of value, rarity, imitability and organization.

By using the model above, a company identifies crucial resources that help building a competitive advantage. Additionally, Barney emphasizes that valuable resources empower organizations with putting into action a strategy that proves to be efficient and effective (Barney, 1991, p.105). Getting more specific into the topic of resources, we propose several classifications.

In 1991, Barney presented the following typology of resources subdividing them into physical, human, and organizational capital resources. In 1994, another scholar, Brumagim classified resources into four different levels: production/maintenance, administrative, organizational learning resources, and strategic vision resources (Brumagim, 1994). Earlier we mentioned that resources are also divided into tangible and intangible, however they do not mean

the same as capabilities. According to “Mastering Strategic Management” book by Janice Edwards (2014), resource “refer to what an organization owns, capabilities refer to what the organization can do.” (Chapter 4, p.131). In other words, capabilities enable organizations to seize, manage, apply and take advantage of resources in a way that will help them achieve competitive advantage.

It is also worth mentioning the dynamic capability that is an adaptable and flexible mechanism of companies to react on changes and improve or create new capabilities. Another relevant concept is a distinctive competence developed by Philip Selznick. He defines it as a number of activities in which a company perfectly succeeds. Later, he elaborates that possessing a distinctive competency evolves into having a competitive advantage. Therefore, we can see how notions of capabilities and distinctive competences overlay (Edwards, 2014, 133).

Resources and capabilities unite into core competences of the organization¹. We will explore the concept of core competences that provide a solid strategic value. Organizations should work on investigating their core competences that will provide them with sustainable competitive advantage (Srivastava, 2005). Core competence is the unique result of “collective learning” processes that are integrated into business and differentiate an enterprise from competitors (Sanchez & Heene, 1997). Hence, core competencies are the integral part of firm’s success. Hamel and Prahalad (1994; 1990) invented criteria that has to fit to be considered “core”:

- 1) *Customer value* meaning that core competence should contribute to perceived value.
- 2) *Competitor differentiation* signifies that it has to be superior to similar ones of those of competitors.
- 3) *Extendibility* explains applicability of a core competence to new range of markets. (Agha & Alrubaiee, 2012)

To grasp the concept of value creation through the concept of resources, capabilities and competences, we will make a point via a table that reflects the idea that resources and capabilities contribute to core competences, therefore, leverage into business activities, and create a competitive advantage demonstrating superior firm performance. Notably, the scheme is circular and implies that the company puts efforts to “reinvest, hone and upgrade” (Dess, McNamara, Eisner, Lee, 2019).

1

https://www.investopedia.com/terms/c/core_competencies.asp#:~:text=Core%20competencies%20are%20the%20resources,to%20succeed%20against%20the%20competition.

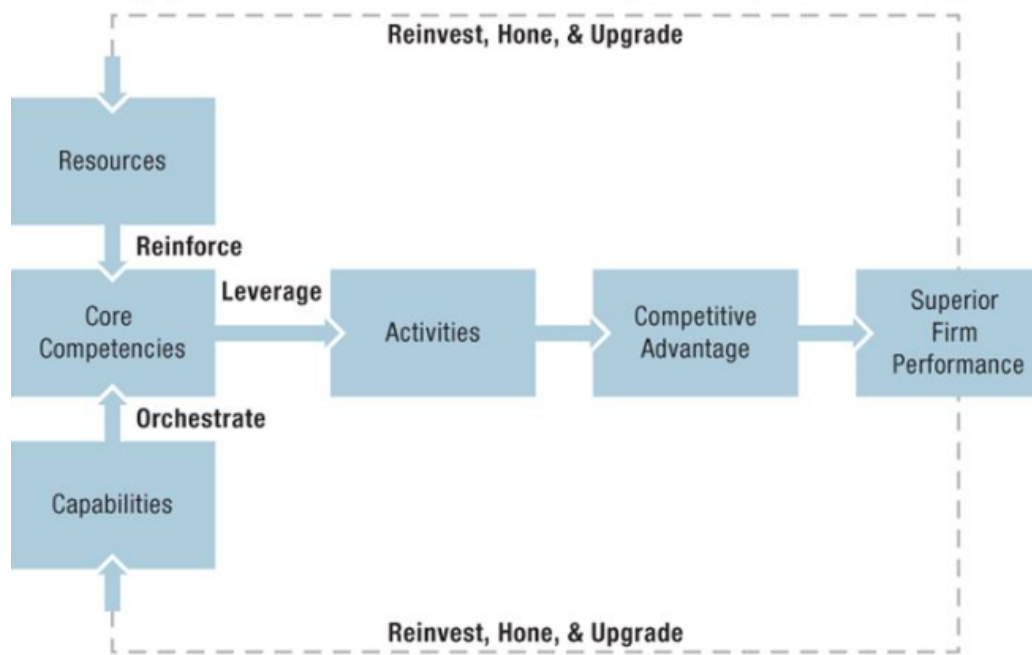


Fig.5. Dess, McNamara, Eisner, Lee, 2019

Resources and capabilities are the key to success. Rodrigues et al (2021) in the article “Success Factors of SMEs: Empirical Study Guided by Dynamic Capabilities and Resources-Based View” elaborate on what brings success to small and middle-sized enterprises. In other words, the authors analyzed resources and capabilities that are relevant to the success of the firm. In the summary of the research, the authors conclude that there are six main success factors: strategic planning, management capacity, entrepreneurship and innovation, human resources, forms of financing, and networks/partnerships. The authors state that networks/partnerships improve business development at a regional and global scale (Rodrigues et al, 2021). Hence, in this case partnerships are viewed as a resource itself not a final goal, which creates a gap and the importance for the current research paper on how to create the partnerships. Moreover, there is no much evidence on which resources are required to create partnerships for SMEs, even though social entrepreneurs fall under the size category.

At the same time, there are studies that prove the importance of partnership network. Sparrowe et al. (2001) conclude that companies that have many connections within their networks can easier achieve access to the knowledge and resources of other firms. As a result, partnerships lead to better resources while being a resource itself, even though it is not clear how to create these partnerships in the first place.

There is scarce amount of information regarding the understanding how small enterprises and large corporations develop mutually beneficial collaborations that create new products or services, or change existing mechanics in the market (Hockerts and Wustenhagen, 2010).

Traditionally, most of the research has reported the evidence that corporate-entrepreneur relationship is usually competitive. The research that partially fulfills the gap, is done by Vesela and Bodkin (2018), and covers the topic of collaborations between corporations and entrepreneurs in the context of a circular economy. The research has showed that the most important features for success in driving collaborations in mutual pursuit of achieving circular economy besides companies' mission and visions is the "zero waste/sustainability goals, reputation and regulations" (Vesela and Bodkin, 2018, p.9).

First, it is indisputable that every partnership has to aim at the same goal or align their aims. Second, in terms of reputation as a main force to bring collaborations to success, the authors imply corporate reputation as the ability to attract talent, retain employees, and improve relationships with external stakeholders (Neldrich et al., 2017). At the same time, small enterprises have the reputation among specific communities. Finally, regulations imply that circular economy requires compliance with EU regulations and U.S state laws. Limitations of this research's findings lie within the specificity of a context of circular economy, waste repurposing and product reuse. Moreover, the empirical study included only 12 U.S.-based companies and lacks general overview of the necessary resources and capabilities of companies to establish an efficient collaborative business dialogue.

Park et al. (2018) in the article "Forming a Social Partnership between a Small Social Enterprise and a Large Corporation: A Case of the Joint Platform, H-JUMP" made another important contribution, which is relevant to the topic of partnership of social enterprises and large corporations. The authors demonstrated the asymmetric power balance in a similar case relationship and suggested that a small social enterprise can create viable collaboration by utilizing strategy with social capital and relational governance in the process of collective value creation. The study puts an emphasis onto the social capital as the main driver for successful partnership. The authors rely on the following definition of social capital as a "the connections among individuals and social networks and the norms of reciprocity and trustworthiness that arise from them" (Putnam, 1993, p.37).

According to the study, social capital has three category: structural capital, cognitive capital, and relational capital. First, structural capital includes social configurations, connections and network among the participants. Second, cognitive capital involves shared codes and language that help to integrate actors into a shared identity. Third, relational capital refers to the relationships and social interactions such as trust, duties, responsibilities, and identification (Tsai & Ghoshal, 1998). The research is based on the ideas that social enterprises even nascent ones can greatly benefit economically as well as non-economically from having social capital because it can help

facilitate cooperation among the actors in the society. Large corporations get more confident when they perceive a social enterprise with social capital that has characteristics of competence and expertise that potentially will assist in implementing the social goal. However, the authors emphasize “relational governance” as a crucial mechanism for collaboration that helps both parties to concentrate on the longevity and effectiveness of collaboration while having mutual goals aligned through joint cooperative actions (Austin & Seitanidi, 2012; Heide & John, 1990).

As we established the logic behind resources and competences, and spotted the gap in the literature review that shows that there is little understanding on how to create partnership rather than what benefits they bring, we will analyze the qualities that researchers usually emphasize when evaluating the success of partnerships between companies. For this purpose, we will analyze necessary key elements according to the type of partnership that social entrepreneurs and corporate business establish. What do enterprises need to be successful in skills partnership, channel/supply chain collaboration, corporate social venturing and strategic sponsorship?

UnLtd suggests that for effective skills partnerships that focus on mutual learning, there has to be a strategic fit with aligned aims. First, it requires ability to be in an open communication about responsibilities, expectations, goals and results. Second, exchange of expertise will be effective when mentors and mentee conducted a proper assessment that proves necessary willingness for collaboration. Third, during the process of learning workforce of an enterprise has to be flexible, committed and ready to listen actively. Employees will reflect these qualities in business processes only if they are promoted on the level of a corporate culture and values. It means that corporate culture should include sense of honesty, devotion to teamwork and cooperation. Finally, according to the results of the research by the Foundation for Social Entrepreneurs, this type of partnership implies that training that has to be smooth but consistent and must be based on guidance.

As for success factors applicable to this type as well, a researcher from INSEAD Ramina Samii stresses that the crucial characteristic for efficient partnership involves resource dependency, commitment symmetry, common goal symmetry, intensive communication, alignment of cooperation learning capability, and converging working cultures (Samii et al. 2002). This definition clearly stresses the human side of cooperation that includes commitment, empathy, trust to sharing and willingness to communicate from actors. Powerful partnerships result from loyalty, commitment and symmetry, which can be also interpreted as goal alignment. This type of resources and capabilities falls under a stakeholder theory when both parties are guided by value maximization of each stakeholder and have a goal of creating trustworthy relationship with stakeholders.

For the second type of partnership, corporate social venturing, that can also be in a form of incubation or investment requires an adequate approach to finding the best fit for a business incubator model. In other words, both sides should balance flexibility and standardization of procedures, financial return and social impact, innovation and decision-making process. Resource dependence theory when social business is in danger of surviving without initial funding or incubator benefits fits this case. Social entrepreneurs have elements of a relationship of power imbalance with corporates because their need for funding is more critical rather than corporates' need for innovation. Hence, social enterprises have to adapt to the circumstances and assertiveness of corporations.

In the third type of partnerships, channel/ supply chain collaboration, one of the main that UnLtd emphasizes is patience and mindfulness to the differences in the way of organizing workflow due to the size, the capacity, the geographic reach and the staffing structure (UnLtd, 2017, pp 5). Plus, it is important to be open in terms of embracing the cultural differences and communicating a clear case for collaboration. Again, being available for an honest dialogue with a partner enables every actor with efficient ways of solving problems and creating opportunities. This attentiveness required for partnership can also be explained by a stakeholder theory.

Finally, the last type of partnership is called strategic partnership and involves sponsoring of programs and supporting social entrepreneurs. The key success factors include patience because the outcome of such collaborations can be created within the period, not immediately. Patience should come from both actors, since social entrepreneurs need to have regular communication with corporates about commitments and expectations.

As a result, there are several theories that can be applied for evaluating rationales of partnerships. Resource based view, stakeholder theory, and resource dependence theory explain partially why companies integrate, however, partnerships between social entrepreneurs and corporations have peculiarities that come from the nature of stakeholder roles, interests, needs, and the duality of the nature of social business. Furthermore, it is possible to analyze and categorize the most common types of partnerships between social business and corporations. However, a lack of systematization regarding competences and resources required for a long-term collaboration hinders understanding why partnerships succeed. There is also no evidence confirming which resources and capabilities enhance long-term partnerships, therefore, our research will become a bridge for social entrepreneurs for better collaborations.

The most appropriate theoretical framework to base the empirical part is resource-based view theory. It gives flexibility to evaluate analyzed data regarding resources and capabilities. We

will provide relevant knowledge for social business. Adopting and nurturing necessary competences and capabilities, social entrepreneurs will strengthen their business structure and corporate culture in accordance with qualities that are critical for efficient collaborations. Consequently, social entrepreneurs will be able to create societal and financial while being in partnerships. The empirical part of this thesis aims at evaluating real cases of partnerships between social business and corporations that will give basis for evaluating components of successful collaborations.

CHAPTER 2. RESEARCH METHODOLOGY

2.1. Research design and data collection

The empirical part of the research paper could draw its conclusions from primary or secondary data. First, we analyzed secondary data provided by an academic adviser. Having conducted a quantitative overview analysis of a survey result conducted in 2021, where participated 200 social entrepreneurs, we have supplemented the relevance of our research and obtained supportive data for primary data that would be discussed later.

The research focuses on social entrepreneurs in different types of partnerships with corporates. Therefore, it requires variety not only for types of collaborations but also for countries and industries. For the greater precision, authenticity and relevance, we will concentrate on gathering primary data and base our research on it. Primary data for this study was gathered locally, in Russia, however, there was also interviews from a social entrepreneurs based in India and a representative from Bill & Melinda Gates Foundation.

The main research method for this Master thesis is a qualitative. It also employs an inductive research approach that exploits semi-structured interviews as a tool for data collection. Particularly, semi-structured interviews are decided to be the best fit for achieving the research goal because it respects the flexibility and takes into account specifics of the interview process. Semi-structured interviews imply predetermined questions as well as allow spontaneous or specifying questions that depend on the course of a conversation. Inductive method suits this paper because from observations we will identify the patterns and key insights that will give rise to recommendations and general formulations.

The first step is data collection that we started with designing of interview questions. The literature review and the existing frameworks became the basis for the questionnaire. The specter of work include semi-structured interviews with social entrepreneurs and representatives from corporations. Hence, there were two sets of questions for each party. Both questionnaires were a part of a group research and had several blocks. The questions for this paper are related to resources and competences that companies have and apply for partnerships as well as desirable resources and capabilities that could positively influence the length and depth of partnerships. The overall idea behind interviews for social entrepreneurs is to learn more about their business model, instances of successful as well as unsuccessful partnerships with corporations, namely, motivation, mechanics, length, frequency, success key factors, obstacles and room for future improvement. In general, interviews for corporations mirror the logic of investigating examples of partnerships.

Furthermore, the goal for both sides was to pinpoint desired qualities for a better collaboration as well as the current ones that were demonstrated by their partner.

So far, in total, our research group has conducted 14 interviews in total: eight interviews with social entrepreneurs and four large corporation representatives. There were conversations with representatives from companies from Moscow, Saint Petersburg, Chudovo, Voronezh and Bangalore. The main platform for conducting interviews was online videoconference tools (Zoom). In some cases, there were audio calls as it was the request coming from an interviewee (WhatsApp). On average, two or four interviewers were present during each interview. The average length of a talk was normally from 30 minutes up to one hour. The interview analysis is based on the sessions' recordings that were taken with the permission of interviewees.

The respondents for the interviews were found through a comprehensive research based on references about collaboration of social business and corporations mentioned in social media, literature and analytical reports. Moreover, Impact Hub shared a list of social entrepreneurs that collaborated with them before and have a track of collaborating with large enterprises. In addition, a vast network of alumni groups of Graduate School of Management contributed greatly to this research.

2.2. Research analysis method and tools

Having talked with social enterprises and large corporations' representatives, we were able to get perspective from both sides and learn some valuable insights that were comprised in this part of the thesis in a list of different findings. In order to extract relevant information from audio and video interviews we used a narrative analysis of the transcribed interviews.

Some of the interviews were fully transcribed (Appendix 3) whereas in some only the relevant sections were transcribed, as a result, it has become the data sampling. The process of extracting pertinent pieces of information from the recording required multiple attempts of careful listening. In addition, during real-time interviews self-memos were taken as well as during the process of coding and categorizing data. However, due to the fact the interview results analysis were processed manually, all the self-memos were not automatic neither they were in the digital format. Later, reflections and ideas from self-memos were transmitted into a research notebook that alleviated navigation and systematization. Most of the reflection afterwards was done in a digital document.

The chosen type of analysis is a narrative analysis combined with the elements of ground theory analysis. The choice of this technique was motivated by the specifics of this method that implies preservation of narrative data, while enabling the author to assess particular parts and

extracts. At the same time, we were still able to identify themes and categories relevant to the research through color-coding.

First, this method is flexible and emphasizes the importance of keeping the context. Moreover, some of the respondents do not have any academic business background nor they use terminology during interviews that still relate to the description of owned or desired resources and capabilities. Some respondents were making a point through an example and the context is extremely important in order to draw a conclusion. However, the coded word was not used in the example, still, analytically we were able to make a conclusion thanks to the flexibility of the chosen approach and the method of analysis.

Second, this method is flexible and suits the specifics of the data gathered through semi-structured interviews. 13 interviews out of 14 (93%) were conducted in Russian, hence, transcribing all the interviews first in Russian then into English would have delayed the results of the research. For this matter, narrative analysis allows to evaluate the content of the interview as a whole as well as focus on pertinent extracts that were figured manually. The extracts were not necessarily representing an exclusive part of a narrative structure, for instance, only examples, abstracts or situations. On the contrary, thematic narrative analysis combined with a structural one brought results of analytical categories relevant to the topic and research questions.

Finally, narrative analyses may use inductive research approach that we exercise in this master thesis. From the observations derived out of the interviews, we will formulate universal recommendations for social entrepreneurs that strive for growth and improvement via partnerships.

After getting familiar with the content of the multiple interviews (narratives), we identified key themes and transcribed relevant parts of the narrative data in a table in the original language of the interviews. Afterwards we extracted analytical themes of every quote in a concise way in the language of the research (English). In the Appendix 1 it is demonstrated how color-coding was used at the textual format of an interview. Later, the underlined analytical themes relevant to the topic were put in the excel table for all the respondents. As soon as the table was formed every analytical theme was defined in a word or a word combination to make the process of analysis easier. Similar findings of words and word combinations were integrated under one insight.

2.3. Interview results

The interview results gave significant and important outcomes that we comprised into groups and united into finding under the common logic and relevance. Since arguments were given from both sides it is especially beneficial to see proves from the side of social entrepreneurs as well as

large corporations. The fact that interviewees were mentioning the same aspects that prevent or facilitate collaboration from different perspectives confirms enormous relevance of the finding.

The first finding underlines important legal aspect that was mentioned by social entrepreneurs and large corporations as well. Legal establishment of social enterprise is a cornerstone that prevents many social enterprises from creating mutually beneficial partnerships with large corporations. One of the social entrepreneurs who also conducts regular meetings in Voronezh region for local nascent social enterprises in order to popularize the concept of social business reports the main obstacle: “entrepreneurs see no point in going out into “the white economic sector””. “They are afraid to lose profits because they are intimidated by complexity of reporting and documentation, inaccuracy in which can lead to numerous check-ups and possible fees. They are scared of failing to meet the requirements and face governmental audits. Plus, they see no practical benefit in getting a legal status and getting registered”. This fact reflects on the disadvantage of social enterprises from a legal perspective that we discussed earlier. However, the reality of conducting social business in Russia has its own specificity. The dilemma here is not whether to get registered as a for-profit or non-profit but whether to register at all or not. What social enterprises do not see in the bigger picture is that they deprive themselves from opportunities to scale and promote their brand image while integrating resources with large corporations and learning from them.

For this matter, a representative of an international retail company declares that “in order to establish partnership we conduct a thorough analysis of potential partnering organizations. There is a long list of criteria such as sustainability of the firm, experience in business, number of beneficiaries, long-term leasing contract of the office/premise, documentation etc. The preparatory phase could take up to one year or even more. During this time, we administer audits, document management including tax papers and labor code requirements of social entrepreneurs”. Hence, being legal and transparent with documentation is crucial for the initiation of a partnership. Corporations want to see a serious, legally and documentary empowered organization as a partner.

Having analyzed secondary data that was provided by an academic advisor, we managed to find supportive arguments. A survey of 200 social entrepreneurs in Russia was conducted within the research "The Role and Place of Social Entrepreneurship in Solving Social and Environmental Problems". After the data assessment in Excel, we were able to conclude that some 72% (145 organizations) of a total number of respondents is aware of the federal law from July 26, 2019 that formalizes the status of social entrepreneur as a separate legal entity in the sector of small and middle size enterprises. In addition, we calculated that some 41% (82 organizations) of the total number of respondents is actually registered. This data shows the gap that while knowing about

the official registry, only 56% of the aware organizations registered. Slightly more than a half of social entrepreneurs took actions to apply and act under the status. Hence, it raises the question why social entrepreneurs did not get the status.

To sum up, whereas social business sees no advantages in legalizing their business, we may conclude that it is due to poor distribution of information and education or unfairness in the system. Moreover, education has to be on the country and regional level because details may vary from one region to another. Because of better education and promotion, social business will become aware of benefits, rights and types of support for which social entrepreneurs are eligible. Moreover, the fact of conducting business with the legal boundaries will bring advantages for social entrepreneurs in a form of governmental support as well as greater chances for establishing long-term effective partnerships with corporations that will give access to better resources and capabilities. On the other hand, this finding provides the insight on the weak system of small and middle business support since many social businesses are scared of being swamped with documentation, reports and fees.

The second important finding of constantly evolving assortment was also brought up from both participating side and was named to be integral in those type of partnerships where corporates purchase goods from social enterprises. This capability can be related to the competitive advantage of constant development. Social entrepreneurs state that they see their competitive advantage in the following factors connected to their products, “our assortment is always growing. And it gets modified”, “We do exclusive, author's prints ... not patches. We can apply (incrave) a large pattern and drawing, no one does that”; “How we differ from competitors? Variety of merchandise. There were bags, now we've added accessories, rain panamas, and denim clothing.” We can see that many social entrepreneurs realize that diverse range of offerings is exactly what can help them differentiate from the competitors. However, a representative of an international manufacturing company among the obstacles for successful partnerships told the following example: “We have made three purchases of gifts for our partners and customers. The main obstacle is the limited assortment”. This fact demonstrates the gap that either some social business unaware of a limited assortment being an issue or they know about it but cannot improve immediately.

The third finding is the importance of aligning goals and expectations from both sides. Strategic alliances normally happen when both parties understand the meaning and future implications of the collaboration. The benefits and final tangible results has to be discussed. Moreover, the fact of preliminary research of large company's goals, history of CSR projects and direction of a social mission can drastically improve the quality of partnership. One representative of an international manufacturing company would advise social entrepreneurs “to research your

potential partners and inspect the statements they already made to see how you can fit in with what they already have in their strategy”. This insight can also enhance the probability of acquiring a new partnership in the first place. One social entrepreneur with a social mission of conscious consumption (upcycling garbage) shared an interesting fact: “Before I received 7 partners for raw materials I received 2,000 rejections”. Probably, collaborations would have occurred earlier if the targeting was made precisely for the strategy of a particular large corporation in alignment with their CSR goals and interests. In addition to research, one social entrepreneur emphasized the competence of “active listening” as a major ingredient in the process of aligning goals and expectations. A social entrepreneur from “Everland” who helps large companies create more inclusive work environment shares the key of successful collaboration: “Here it is very important to be able to look for a joint, balance and clearly assess the risks and interests of all parties”. Coming back to the evaluating the process of aligning goals and interests through the lens of concept of power Casciaro and Piskorski (2005), we can state that this process requires attentiveness and clear communication that cannot be achieved when there is power imbalance. In this instance, both parties regardless of resources they have in their disposal should treat partnership through the prism of mutual dependence.

To conclude, for an efficient partnership social entrepreneurs and large corporations have to align their interests, expectations and final goals. In order to achieve it both sides should openly communicate and listen actively. Within the framework of mutual dependence, organizations have to be respectful. Moreover, preliminary research and strategy awareness will enhance the chances for a better collaboration.

The fourth finding suggests that competitive advantage of social entrepreneurs is mostly comprised of intangible resources rather than tangible ones. Several social entrepreneurs during the interviews report that they do not have enough resources, “We have limited resources and ability to pay salaries, for example. We can't afford highly qualified employees”. However, among the most frequent competences we identified “result-orientation” and “devotion to deliver a top quality product”.

The fifth finding correlates with the competences discussed above and contains the emphasis from social entrepreneurs that social part is not an excuse but an additional unique point. Social entrepreneur of an inclusive workshop studio “Prostie Veschi”, Maria Grekova, says, “We don't stick out our diagnoses. We try to normalize this life and just do our best job.” At the same time, some social entrepreneurs acknowledge that, “our main competitive advantage is that we offer gifts that carry added value”. While social entrepreneurs cherish that their offerings have strong social meaning, they do not support the biases. A cofounder of “Everland”, an inclusive agency,

has a strong opinion that “if the service is of high quality, is provided on time, and is market-based, then it costs exactly the same as any service in the market. It is not about a person with a disability. For example, people say, “You have a super exclusive agency that employs people with disabilities. So your services should cost more because they have extra social value.” No, they cannot and should not cost more”. Social entrepreneurs always adopt the approach of delivering excellent quality of goods and services, and maintaining a highly professional attitude in every partnership without exploiting the social part as a shortcut. Representatives of a project “VzaimoDeistvie”, an inclusive theatre for actors with Down syndrome, see their competitive advantage in being subtle. “We offer entertaining content without overwhelming listeners and clients with hardships of people with disabilities. We offer an immersive, entertaining experience that has an impact without being burdensome”.

The sixth finding is business literacy and emphasized widely by social entrepreneurs. Some respondents among social entrepreneurs reflect on basic understanding of business in terms of future advice as well as beneficial capability that they already possess and that helped them in creating partnerships. This aspect includes several facets. First, business literacy does not mean having solid academic background of an MBA or two Master’s degrees. A cofounder of “Everland” who used to work in a business environment says, “It is good to have business experience when a social entrepreneur has been on the side of business and understands the intricacies of bureaucracy, paperwork, to meet all the needs of the partner”.

Second, there is a dimension of finance and accounting. Social entrepreneur from “Manifest” closely collaborates with workshops of other social entrepreneurs during the production accessories and clothes out of garbage and waste materials. She notices that many of her colleagues lack “business literacy basics such as how to calculate pricing for an item they produce”. Partially this gap comes from inexperience, however, the root of it can also stem from the overwhelming fascination that consumes social entrepreneurs and leads to another dimension.

Third, business activity require cold mind as well as an ability to communicate goals and interests in a professional, straightforward and reasonable manner. Social entrepreneurs from “Buy Social” gives an advice to “maintain the soul of the NGO, but be able to move to terms and agreements”. She also underlines that it is important to demonstrate financial reasoning and practical benefit for corporation, however, sometimes “social entrepreneurs don't know how to speak the language of business”. She gives the following example: “Commercial proposals don't work, the only thing they listen to: Let us pick up your trash and you won't spend money on it.” Another social entrepreneur shares that corporations speak “the language of profit”, which social

entrepreneurs fail to grasp due to emotions and social focus. As a result, partnership can fail even before being launched because of unprofessional communication.

In conclusion, business literacy can come through experience or education in the sphere of social entrepreneurship. The valuable resource assists in establishing partnerships through competences of dealing with paperwork and bureaucracy, producing accurate financial calculations, and mastering business communication.

The seventh finding underlines resilience as an important competence. Thanks to the narrative analysis that we conducted, it was possible to evaluate the extract from the interviews in relation to the context. Coding was not possible there because social entrepreneurs did not use particular words connected to resilience or flexibility. For example, social entrepreneur of “Everland” admits, “Igor (co-founder) and I are still volunteers, although we invested our own money in the project, and we are one of the most successful social entrepreneurship projects in Russia”. This confession shows that owners of social business have a high level of resilience combined with commitment, which makes them overcome obstacles and face challenges. Another good example of commitment is 2000 rejections against seven successful cases of collaboration of an entrepreneur from “Manifest”. This example demonstrates perseverance and resilience that in one way or another can be traced in social entrepreneurs. Notably, this competence of resilience and adaptability gives rise to initiative and leadership. A representative of a large corporation reflects on a successful long-term relationship. “Professionalism, leadership, initiative, this is what I would call on the part of a social entrepreneur”. Hence, the conclusion here is that resilience and commitment are intrinsic qualities that social entrepreneurs do not identify as their competitive advantage. However, these competences are present in the everyday approach and theoretically promote the leadership and initiative that help to maintain successful partnerships with large corporations.

The eighth finding is the competence of taking the business activity seriously and professionally. As we can draw the conclusions from the arguments above, social business is not an easy way into the business where the importance of benevolent goal will be selling the products without any additional effort. On the contrary, social business is very demanding and rather intricate due to hybridity and lack of systematization. Serious approach of social entrepreneurs come in different form. An owner of “BuySocial” says, “We never promise what we cannot deliver”. She is positive that professional approach is the main driver why large organizations keep collaborating with the organizations several years in a row. The representative from “Everland” supports the colleague from “BuySocial”, “One-time actions do not produce any social change. Because we are social entrepreneurs and we appreciate consistency, we have a rule that we do not

do anything just for the sake of doing things. Not even for money”. Such honesty demonstrate respect for time and resource of a partner, hence, improves loyalty and brings the relationship to a level of better trust. This correlates with the stakeholder theory when it is important to establish trustworthy relations with a stakeholder (partner) in order to maximize the value.

The ninth finding states that social entrepreneurs are highly distinguished by attentiveness and customer centricity. Several representatives of social business claim that their competitive advantage lie within the following strategic capabilities: “Customer focus. We are ready to adjust”; “Service and attention to individual requests (related to logistics, branding, and kit creation)”; “We can sew (produce) in small batches”. It does not come as a surprise that a path of social entrepreneurs starts with a concept of care and concern. An embedment of socially important agenda into a corporate strategy as an equally main focus as a value maximization indicates that social entrepreneurs perceive their customer who can also be beneficiaries of social value with extra care and importance. Their work ethics has an extra layer of attentiveness and considerations. They spend months trying to offer a prototype that will match the needs and a style of corporate partner. Willingness to invest time and find an individual approach to every client differentiate social business from a regular retail store, for example.

The final tenth finding is last but not the least, and it puts an emphasis on the problem of keeping balance. Turning back to the idea of hybridity that lies at the core of a concept of social entrepreneurship, we understand that this competence of balancing the priorities and not losing focus is very critical for social business. In the literature review part, we have discussed the disadvantage related to the hybridity. Scholars named the risks of losing the mission focus as well as massive energy and resources consumption due to multiple institutional logics. In the interview, Elena from “Everland” talks about balance of social and commercial. She recommends keeping emotional balance. “We have to be very down-to-earth. You have to lower the degree of enthusiasm, because it is a great hindrance. First, it is associated with a very strong burnout. Secondly, it prevents us from taking a critical look at everything that is going on inside the project. It prevents you from responding flexibly to the changes that will be required”. She underlines an additional drawback of hybridity. According to the respondent, the lack of balance leads to emotional burnout and lowers the ability to navigate acutely in the business environment, especially during turbulent times.

2.4. Summary of the chapter

After conducting 14 semi-structured interviews, we have obtained ten important insight on which resources and capabilities are need from the social entrepreneurs in order to create efficient

long-term partnerships with large corporations. The insights were drawn from the real cases of successful collaborations reported by social entrepreneurs in Russia and India, and supplemented with the evidence provided by large corporations' respondents and quantitative secondary data in a form of survey 201 social enterprises. There are ten significant findings that state the following:

1. Social entrepreneurs have no motivation to get a legal status. This can be related to fear of making less revenues, lack of knowledge, complexity of procedure, or stereotypes. Large corporations, on the opposite, can partner only with transparent and official organizations that can pass audits and work within the boundaries of labor and tax law.
2. Constantly evolving range of products strengthens the interest and efficiency of partnerships. Social entrepreneurs as well as large corporations emphasize this aspect as the key for long-term partnership.
3. Importance of goals and interest alignment and setting the same expectations by means of active listening and open communication. Similarly, both sides were reporting the same gap. Furthermore, this competence can help at the stage of acquiring partnerships.
4. Social entrepreneurs attach more importance to nurturing tangible resources than the intangible ones. The most frequently mentioned ones: "result-orientation" and "devotion to deliver a top quality product".
5. Social part of social enterprises is not an excuse but an additional unique point. However, it adds certain value and advantage during competitions to get tenders for projects and pass the compliance in big companies.
6. Business literacy increases chance of social entrepreneurs for effective partnership (previous experience, networking, business communication, finance and accounting, understanding bureaucracy and information flow in corporations).
7. Social entrepreneurs' resilience and commitment result in initiative and leadership that large corporations appreciate during further close collaboration.
8. Professional and systemic approach includes open business communication increases loyalty and improves effectiveness of partnerships. This finding correlates with main rationale for partnerships proposed by the stakeholder theory.
9. Customer centricity and attentiveness differentiates social entrepreneurs. Presumably, related to the hybridity and social concern that might reflect on their work ethics.

10. Social entrepreneurs have to maintain balance of social and commercial, price and quality, clients and beneficiaries. Otherwise, skewed approach will result in burnout or loss of business sense, especially needed during turbulent times.

It also seems sensible to divide the recommendations into two parts. First category is the resources and capabilities that are beneficial at the stage of acquiring partnerships. Second category will constitute resources and capabilities required for maintaining and supporting efficient partnerships. As a result, we will propose the following table of needed competences:

Resources and capabilities needed to acquire partnerships	Resources and capabilities needed to maintain partnerships
Resilience	Initiative
Commitment	Leadership
Legal establishment	Customer centricity
Ability to fit into strategy of LC	Systemic and serious approach
Business literacy: <ul style="list-style-type: none"> - Business communication - “Language of profit” - Business experience - Networking 	Alignment of goals and expectations: <ul style="list-style-type: none"> - Active listening - Open communication

Furthermore, the key findings can give the ground for relevant propositions that can be tested in future researches.

The first proposition: Legal status of social enterprise can increase chances for creating partnership with large corporations.

The second proposition: Business experience, business literacy and network of professional contacts give social entrepreneurs advantage that helps to establish partnerships with corporations.

The third proposition: When social entrepreneurs demonstrate leadership, openness and consistency in communication and actions, partnerships with large corporations can be longer and more efficient.

CONCLUSION

This thesis examines the resources and capabilities required for social entrepreneurs to establish long-term and efficient partnerships with large corporations. After thorough literature review, conceptualizing social entrepreneurship, partnerships and their types between social business and corporates, and investigating theories that motivate collaborations with the goal to create societal and financial value, we provided several new inputs to the topic.

As the first step of the research, the author designed a part of questionnaire for social entrepreneurs and large corporations' representatives. 14 semi-structured interviews (five large corporations and nine social entrepreneurs) confirmed the interest and instance of partnerships between two different business entities. Moreover, the interviews have raised several important details that have not been discussed earlier and are related to the country specifics. One of the factors is the lack of motivation for social business to acquire an official legal status, which was not raised before due to the fact that most of the resources were international and talked about the western culture and economy reality. Another useful extract from the interviews is the additional emphasis on the importance of keeping balance for social entrepreneurs. The study revealed the risk of emotional burnouts and skewed business sense. Duality of social business that lies in the art of juggling between social and commercial force

Theoretical implications:

The study contributed to the underdeveloped field of research about the role of resources and capabilities required for social entrepreneurs to create value through partnerships with large corporations. This research brings together two perspectives on the matter of resources and capabilities – the attitude of representatives of social business and the one of large corporations. Most importantly, all the conclusions were drawn from real cases of partnerships and reflections on them. Investigating resources and competences of social entrepreneurs through the lens of existing collaborations with the eyes of both sides is an innovative approach that has never been explored before. New combinations and sets of resources and competences were proposed as possible success factors of long-term efficient partnerships that are especially relevant for collaborations between social entrepreneurs and large corporations. This research may spur the interest of scholars to create deeper analyses of resources and competences and compare them with the practices from different countries. Moreover, the findings from this study can be used as a basis for a similar quantitative research. Three propositions underlined in the conclusions give ground for further hypothesis testing and new research goals.

Practical implications:

The study brings new insights about resources and competences necessary for successful partnerships between social business and big corporations. It sheds light on the set of competences and the rationale for their development and acquisition. The solutions for social entrepreneurs were synthesized with solutions from the perspective of corporations, and the main competency and capability gaps were identified. These findings can be used to suggest recommendations to policy-makers and support organizations for further development of partnerships that will allow social entrepreneurs create financial and societal value.

The first recommendation for policy-makers and support organizations is to focus on providing more opportunities to social entrepreneurs for education and understanding the policies and laws regarding the status of social entrepreneurship. In other words, it is crucial to popularize the importance of conducting business within the boundaries of the legal system and educate social entrepreneurs about the benefits and state support. These activities will not only result in improved ratings of officially registered organization but also will open the doors for a better collaboration opportunities with large business. It can be achieved by means of assigning ambassadors among social entrepreneurs, by creating campaigns to enhance the importance of legalizing social business or by adding this point to the agenda of regional and federal mass media channels with elements of digital or physical marketing.

Second practical recommendation is to provide education for social enterprises with participant from the side of corporates. It can be done through creating platforms that will integrate social business and corporations, educate social entrepreneurs, facilitate networking and give points of contact. It can be a good step for marketing and education on business mechanics and social impact opportunities.

Finally, practical managerial touch social entrepreneurs and give recommendations to focus on developing important intangible resources: customer-centricity, attentiveness to partners' needs, flexibility, resilience, leadership and initiate. Moreover, it is crucial for social entrepreneurs to adopt business attitude, learn to how to communicate professionally and speak the language of benefit. Also, social entrepreneurs need to be able to do the research and target large corporations wisely, trying to match the already performed ESG projects. Most importantly, social entrepreneurs need to be aware of balance between social and commercial that they need to pay attention.

Limitations and future research directions:

Although this paper considerably contributes to the current literature, it still has some limitations. The first limitation concerns the data set. In this study, we used a very limited sample

of 14 interviews. Therefore, the conclusions applicable to this sample is not suitable for generalization to the whole population. The second limitation concerns the data analysis. As the data is gathered in the Russian language, it requires transcribing and translation that influenced the amount of time for the research. Thus, there is a need for extra time that will be devoted to converting all interviews from an audio into a textual format. In addition, some important information could have been missed because even after listening to the recordings for several times there is a possibility to fail in terms of recognizing analytical themes that seem irrelevant at the beginning. The third limitation concerns qualitative method. Having the results supported by the data extracted from an additional survey could bring credibility and improve the completeness of the study. The secondary data used in this thesis was not holistic enough and complemented only a small portion of total findings. Hence, it would have been beneficial to complement the research and diversified the methods and approaches. Moreover, this step will make it possible to generalize the recommendations and conclusions. As for now, this study can hardly be used for providing universal recommendations.

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APPENDIX 1

Questionnaire for respondents from large corporations

- 1) Как Вы можете охарактеризовать свою конкурентную стратегию?
- 2) Считаете ли Вы бизнес-модель компании инновационной? Расскажите об уникальных и инновационных чертах бизнес модели.
- 3) На каком рынке работает Ваша организация? Какие конкурентные преимущества у Вашей компании?
- 4) Как социальная миссия соотносится с общей стратегией Вашей компании?
- 5) Состоит ли фирма в партнерстве с крупным бизнесом? Перечислите эти организации и расскажите об осуществленных проектах в рамках сотрудничества.
- 6) Кто и как инициировал это партнерство?
- 7) Как выбирается фирма-партнер? (случайно? для особых проектов? ...)
- 8) Каковы основные критерии для партнерства с крупным бизнесом? Перечислите критерии от самых важных до менее важных. (к примеру: финансирование, продвижение в социальных сетях, источник вдохновения, возможности для обучения: мягкие навыки (внутренняя мотивация) / жесткие навыки = профессиональный опыт и.т.д.)
- 9) Как бы Вы оценили такое партнерство? Была ли получена какая-то польза? Опишите вкратце свой опыт.
- 10) По Вашему мнению, каковы основные препятствия для взаимодействия с крупным бизнесом? Перечислите эти препятствия от самых серьезных до менее важных.
- 11) Как сотрудничество с крупными фирмами повлияло на Вашу организацию? (принята ли новая политика, изменения в повседневной деятельности или появились новые идеи после сотрудничества?)
- 12) Что может быть улучшено во взаимодействии между крупным бизнесом и соц. предприятиями? (к примеру, улучшения в условиях взаимодействия, в работе крупного бизнеса или социального предприятия и.т.д)
- 13) Какие ресурсы/компетенции нужны социальному предприятию для эффективного партнерства с крупными фирмами? (опишите, исходя из Вашего опыта)

- 14) Какую выгоду получило социальное предприятие от сотрудничества с крупным бизнесом?
- 15) Какие ресурсы/компетенции необходимы крупным фирмам для более эффективного взаимодействия с соц. предприятиями? (опишите, исходя из Вашего опыта).
- 16) Считаете ли Вы ваших партнеров (крупные фирмы) социально ответственными?
- 17) На Ваш взгляд, какими основными чертами обладает устойчивая бизнес-модель?
- 18) Помогло ли Ваше социальное предприятие внедрить какие-либо устойчивые инновации в работу крупных фирм? Приведите примеры.
- 19) Измеряют ли крупные компании, с которыми Вы сотрудничали социальное влияние?
- 20) Какие были ожидания от сотрудничества с крупным бизнесом?
- 21) Совпали ли ожидания с реальностью? Какие уроки были получены из сотрудничества?

APPENDIX 2

Questionnaire for respondents from large corporations

- 1) На каком рынке работает Ваша организация? Какие конкурентные преимущества у Вашей компании?
- 2) Как корпоративная социальная ответственность соотносится с общей стратегией Вашей компании? Расскажите об основных принципах, направлениях и проектах.
- 3) На Ваш взгляд, какими основными чертами обладает бизнес-модель, ориентированная на финансовый результат и социальное / экологическое воздействие? Какие черты присущи Вашей компании?
- 4) Расскажите об инновациях в сфере корпоративной соц. ответственности в Вашей фирме? Какие это были инновации? Приведите примеры.
- 5) Стала ли бизнес-модель компании более социально ответственной за последние несколько лет? Как, в какой степени?
- 6) Приведите примеры услуг или изменений в бизнес-процессах, которые ввела ваша компания, с целью стать более социально ответственной.
- 7) Встроено ли сотрудничество с социальными предприятиями в стратегию организации? Привязано ли сотрудничество к решению бизнес-задач или это скорее благотворительность, оторванная от основных бизнес-процессов?
- 8) Состоит ли фирма в партнерстве с социальными предприятиями? Перечислите эти организации и расскажите об осуществленных проектах в рамках сотрудничества.
- 9) Назовите самые значимые по социальному вкладу проекты в сотрудничестве с социальными предприятиями, в которых участвовала Ваша фирма.
- 10) Как выбирается социальное предприятие - партнер? Случайно? Для особых проектов?
- 11) Кто и как инициировал это партнерство? Как выбираются направления?
- 12) Каковы основные критерии для партнерства с социальными предприятиями? Перечислите критерии от самых важных до менее важных. (к примеру: Финансирование, Продвижение в социальных сетях, Источник вдохновения, Возможности для обучения: Мягкие навыки (внутренняя мотивация) / Жесткие навыки = профессиональный опыт)

- 13) Как бы Вы оценили такое партнерство? Была ли получена какая-то выгода?
Опишите вкратце свой опыт
- 14) Какими новыми чертами были дополнены бизнес-процессы после взаимодействия с соц. предприятиями?
- 15) Как сотрудничество с соц. предприятиями повлияло на Вашу организацию? (принята ли новая политика, изменения в повседневной деятельности или появились новые идеи после сотрудничества?)
- 16) Какие были ожидания от сотрудничества с соц. предприятиями?
- 17) Совпали ли ожидания с реальностью? Какие уроки были получены из сотрудничества?
- 18) Какие формы партнерства Вы считаете наиболее перспективными? Как в будущем Вы видите сотрудничество в свете усиления повестки ESG?
- 19) По Вашему мнению, каковы основные препятствия для взаимодействия с социальными предприятиями? Перечислите эти препятствия от самых серьезных до менее важных.
- 20) Что может быть улучшено во взаимодействии между крупным бизнесом и соц. предприятиями с обеих сторон?
- 21) Какие ресурсы/компетенции нужны крупной фирме для эффективного партнерства с социальными предприятиями? Какая структура необходима (к примеру, должен ли для работы с соц. предприятиями быть использован один специалист/отдел, несколько специалистов в разных отделах или иной вариант? (Опишите, исходя из Вашего опыта).
- 22) Какие ресурсы/компетенции необходимы соц. предприятиям для более эффективного взаимодействия с крупными фирмами? (опишите, исходя из Вашего опыта)

APPENDIX 3

(00:00:00) (Начало записи)

Интервьюер: Второй вопрос. Как вы можете охарактеризовать вашу конкретную стратегию развития на рынке? Как вы сейчас развиваетесь? В какие сферы расширяетесь?

Респондент: Если мы говорим про стратегию, стоит отметить, что то, что происходит в данный момент, очень отличается от того, что происходило месяц назад. Говорить о том, что происходит сейчас мне достаточно сложно. Будет ли это происходить дальше — очень большой вопрос. В целом мы рассматриваем бизнес как основного нашего партнера. Мы помогаем бизнесу делаться инклюзивным. Было такое движение ESG глобальное. Сейчас под вопросом, насколько оно остается актуальным. Основано оно на целях устойчивого развития ООН. Мы помогаем бизнесу делать программы и становиться устойчивым в части S — социальной повестки. Это все, что касается сотрудников компании, клиентов с инвалидностью. Отстраивать бизнес-процессы системно и устойчиво так, чтобы они не были разовыми благотворительными акциями, а просто становились частью естественных, обычных бизнес-процессов компании. Наш фокус работы именно в этом.

Интервьюер: Считаете ли вы вашу бизнес-модель инновационной? Если да, то какие инновационные черты вашей компании вы можете выделить?

Респондент: Да, я могу сказать, что, во-первых, мы — большая веб-инфраструктура. У нас большой IT-сегмент. Это все не просто так происходит. Для того, чтобы в какой-то компании появились сотрудники с инвалидностью, для этого нужно сделать определенный, очень большой объем разных шагов. У нас большая IT-платформа, на которой люди с инвалидностью регистрируются. Мы там проводим тестирования с участием психологов, профильных специалистов. Обучение, разные поддерживающие мероприятия. У нас есть определенный алгоритм адаптации вакансий и позиций компании. Мы разработали, ввели собственную сертификацию и аудит доступности сайтов и мобильных приложений. Каждый шаг сопряжен с изобретением новых инструментов для решения социальной задачи, потому что готовые решения, которые есть, без кастомизации не работают. Как нам кажется, мы достаточно в этом успешны.

Те технологии, которые мы создаем, позволяют устойчиво решать социальную задачу, с одной стороны, для наших социальных клиентов, а это люди с инвалидностью. С другой стороны, бизнесу можно не играть в добренькие дела, а выстраивать нормальные, обычные процессы, когда эти люди становятся естественной частью стратегии бизнеса. На

самом деле, это самое важное. Это то, что мы изобретаем и во что мы верим. Когда история про инклюзию становится историей про благотворительность и добренькие дела, то это просто не работает так и не будет работать. Надо придумать, как вписать людей с абсолютно разными видами инвалидности, в разных ситуациях, проживающих в разных местах в сложных социальных обстоятельствах. Реально их интегрировать в открытый рынок труда или реально сделать что-то. Это наш фокус.

К сожалению, такого подхода не очень много. Это наносит существенный удар по социальной сфере, на самом деле, потому что все программы в основном сосредоточены на помощь, на поддерживающий подход. Это все разовые вещи. Они иногда способствуют развитию иждивенчества, которое в конечном итоге мешает тому, чтобы социальная проблема действительно реально решалась. Здесь наши предпринимательские инструменты, которые действительно являются инструментами, адаптированы к решению социальных задач.

(00:05:22)

Интервьюер: Спасибо. У меня тогда вопрос по поводу вашего партнерства с бизнесами. Как оно вообще происходит? Я так понимаю, что это на коммерческих условиях взаимодействие. Крупный бизнес вам платит? Каким образом вообще происходит это взаимодействие?

Респондент: Партнерство выстраивается по-разному. Я уже говорила, что преимущественно именно российский бизнес является нашим основным партнером, благодаря которому мы... Проблема инклюзии такая, что даже если очень сильно захочется, то никакой некоммерческий сектор и никакое государство в отрыве от бизнеса решить эту проблему не сможет никогда. Если у компании не будет реальных рыночных инструментов для того, чтобы менять свои бизнес-процессы, то изменений в социальной сфере никогда не произойдет. Это просто невозможно, потому что бизнес создает рабочие места, услуги. Мы пытаемся зарабатывать: 75% нашего оборота — это услуги, которые мы оказываем, благодаря которым мы создаем рабочие места для людей с инвалидностью. Это разные услуги. Многие проекты мы делаем как инвестиции в проверку гипотез каких-то, в том числе про боно. Если мы видим, что это важный шаг, который нужно сначала проверить, обкатать. Здесь многие компании часто выступают донорами, то есть они из благотворительных и социальных бюджетов спонсируют и поддерживают такую активность. Государство дает на такую деятельность гранты. Это тоже нам помогает.

Примерно 30-35% — это то, что мы фандрейзим. Мы не зарабатываем эти деньги, а привлекаем их в качестве благотворительных пожертвований или грантовых программ.

Интервьюер: Вы можете рассказать про примеры самых успешных ваших проектов в партнерстве с какими-то компаниями. Хотя бы один проект.

Респондент: Конечно. Я могу сказать, что очень многие программы мы делали вместе, например, с компанией «Билайн». Это один из наших ключевых партнеров, благодаря которому нам удалось изобрести очень многие штуки, которые потом помогли повлиять на изменения системные. Благодаря этому сотрудничеству, мы сделали очень много классных штук. Например, мы придумали, как проводить аудит сайтов и мобильных приложений крупных компаний с привлечением незрячих тестировщиков. Сделали систему сертификации. Сегодня там уже больше 15 очень крупных компаний — ведущих игроков. Они участвуют в этих изменениях и воспользовались услугой аудита. Мы провели большие, глобальные исследования доступность рунета. Сегодня уже у более 100 компаний мы проверили сайты и мобильные приложения на доступность для незрячих людей и людей с нарушением моторики. Это один из кейсов.

Дальше мы обкатали с компанией «Перекресток» программу по адаптации офлайн-инфраструктуры и системного ведения самоаудита для того, чтобы магазины и обслуживание было доступно для клиентов с разными видами нарушений. Не только с явной инвалидностью, но и других групп маломобильных клиентов.

(00:10:32)

У нас большие программы по трудоустройству. Например, с «Совкомбанком» мы запустили, благодаря партнерству, проект по дистанционной работе для людей с разными видами инвалидности. Разработали алгоритмы, которые позволяют реально устойчиво интегрироваться в профессию людям с очень сложными нарушениями здоровья. Таких программ много. У нас большое количество партнеров. Мы работаем со всеми компаниями из крупных сфер. С каждым из них мы делали что-то новое. Благодаря доверию партнера, получали возможность двигаться вперед и предоставлять другим компаниям услуги с учетом понимания особенностей выстраивания бизнес-процессов. Это очень важно, потому что просто так из социальной ниши невозможно предложить что-то, что будет действительно устойчиво работать на стороне бизнеса. Например, учитывать разные бизнес-процессы. Они у всех компаний могут быть устроены по-разному. Какие-то компании разрабатывают сайты и приложения у себя внутри, потому что у них большие команды разработки. Какие-то отдают это на аутсорс. У кого-то это происходит по-

другому. У всех сильно все по-разному устроено. Для того, чтобы учитывать все эти аспекты, понимать, что важно и критично, нужно большое доверие со стороны бизнеса, чтобы запустить какой-то пилот, сделать его до конца устойчивым.

Это не просто разовая акция. Это тоже важно понимать. Разовые акции не дают никаких социальных изменений. Поскольку мы социальные предприниматели и топим за системность, то у нас такое правило, что мы не делаем ничего просто ради того, чтобы поделаться. Даже за деньги. Нам нельзя прийти и что-нибудь попрактиковать. «А давайте что-нибудь запустим? Вот вам бюджет. Давайте попробуем». Это нерабочая история, потому что у нас есть ответственность перед людьми с инвалидностью, перед нашим социальным клиентом. Большое сообщество, которое нам доверяет. Мы не можем просто так взять и сделать какую-то фигню, которая потом не даст пользы никому. Если не будет социального баланса и учета интересов социального клиента и бизнес-клиента, то эта история просто не будет работать. Это невозможно. Мы ничего кроме того, чтобы потратить усилия и получить очередной фейковый проект, не получим. В такие штуки мы никогда не заходим. Мы пытаемся убедить наших партнеров делать все максимально устойчиво и системно, потому что разовые... У нас есть такой термин «отравиться инклюзией». Разово и некачественно запущенная программа хуже, чем отсутствие программы. Сделать что-то, что потом даст меньший результат, для социальной задачи и для бизнеса намного хуже, чем не делать ничего и дожидаться, пока не наступит возможность реализации какого-то системного проекта. Поэтому это очень важная история. Даже если это невыгодно экономически, мы всегда на этом стоим, пытаемся убедить партнеров.

Светлана: У меня тоже вопрос. Елена, подскажите, какие еще качества важны вам как социальному предпринимателю. Вы упомянули доверие с обеих сторон. С вашей стороны требуется понимание специфики бизнеса партнера, большой корпорации. Какие еще качества вам были необходимы? Может быть, какие еще нужно развивать, чтобы эти партнерства были лучше? Может быть, вы можете посоветовать другим социальным предпринимателям ключевые качества, которые помогают в это коллаборации развиваться лучше или начать ее создавать?

Респондент: Все, что касается социального предпринимательства, связано с одним словом — баланс. Социальный предприниматель — это про баланс. Баланс социального и предпринимательского. Допустим, к нам приходят клиенты и говорят: «У вас дизайнеры с глухотой. Мы хотим, чтобы эти дизайнеры нам звонили, чтобы они участвовали в коллах». От того, что клиент хотел бы поговорить с дизайнером и голосом внести ему правки, у дизайнеров слух не появится. Здесь очень важно говорить о том, что есть такие особенности

у людей с инвалидностью. Их нужно учитывать. При этом не позволяет нам делать дизайн плохо, ориентируясь на то, что дизайнеры с инвалидностью. «У нас дизайнеры с инвалидностью, поэтому мы сделали плохо и не в срок. Вы же понимаете? У нас же такие обстоятельства. Сделайте нам скидку», — эта история не работает. **Постоянный учет и необходимость держать баланс социального и предпринимательского — это дико важно.** Это касается всего.

(00:15:39)

Допустим: «У вас же люди с инвалидностью. Какое у вас главное УТП (уникальное торговое представление)? Стоят дешевле услуги?». Нет, дешевле услуги стоить не могут. Если услуга качественная, оказывается в срок и рыночная, то она может стоить ровно столько, сколько стоит любая услуга в рынке. Это не касается человека с инвалидностью. Например, еще: **«У вас же суперэсклюзивное агентство, где работают люди с инвалидностью. Значит, ваши услуги должны стоить дороже, потому что они имеют дополнительную социальную ценность».** Нет, они не могут стоить дороже и не должны стоить дороже. Это все набор противовесов, которые очень важно всегда учитывать и **держат баланс.**

Это касается, например, консультирования клиентов и партнеров. Всегда нужно говорить, как есть. Если вы сделаете сейчас адаптацию только сайта, но при этом не поработаете с колл-центром, доставкой, то это вам ничего не даст, потому что люди с инвалидностью не только взаимодействуют с сайтом, но и заказывают услугу на дом — приезжает курьер. Если рекламация, то им нужно взаимодействие со службой поддержки, поэтому инвестировать в одно, забывая другое, не стоит. Вы не получите нужный результат. Давайте все-таки делать так, как это дальше будет выгодно вам. Это касается каждого шага.

Допустим, к нам приходят и говорят: «У нас вакансия. Найдите нам людей с инвалидностью. Мы хотим делать доброе дело». Это не работает, потому что не работает просто подбор на какую-то вакансию. Для этого нужно обучить команду, понять, как вы будете собеседовать, что это за люди, какие ограничения здоровья доступны или недоступны для выполнения этой задачи, правильно выстроить коммуникацию. **Очень много нужно сделать для того, чтобы запустить инклюзию. Мы говорим об этом.**

Здесь очень важно уметь искать стык, баланс и четко оценивать риски и интересы всех сторон. Это единственная тайна, единственный ключ к социальному предпринимательству.

Светлана: Спасибо.

Интервьюер: Если продолжать эту мысль, то, по вашему мнению, какие компетенции или ресурсы нужны для крупных предприятий, чтобы они могли над социальными предприятиями, в частности, над социальными предприятиями, как ваше? По повышению инклюзивности.

Респондент: **Быть готовы делать до конца и хорошо все.** Ничего дополнительного. Здесь вопрос в том, какие цели ставит перед собой компания. Компания ставит перед собой цели реальных устойчивых изменений — это вопрос профессионализма человека, который отвечает за процесс. Если это действительно то, что в итоге выгодно, потому что клиенты с инвалидностью — это хорошая и очень большая ниша. Иногда еще в нее входят друзья, родственники и защищенность для клиента, который попал в ситуацию ограничения своих функций. Адаптированные услуги нужны не только людям с инвалидностью. Они нужны каждому из нас, например, чтобы иметь возможность воспользоваться деньгами в банке в любой ситуации. **Если внутри компании есть нацеленность на то, чтобы все-таки делать эти изменения системными и устойчивыми не ради PR или какой-то акции, то тогда сотрудничество чаще всего складывается.** Мы не будем требовать к себе какого-то отношения.

Приходят в компанию строители, которые делают ремонт офиса. Компания им говорит: «Мы хотим, чтобы вы не краской красили стены, а клеим». Это не будет работать. Стены красят краской. Вы, конечно, можете хотеть клеим, но так не бывает. То же самое касается нас. Мы должны быть ровно такими же партнерами. Если это невозможно, то нужно просто сказать и объяснить, при этом держать обычных профессиональных рыночных подходов. Бизнес ничего не ждет и ничего не должен. Это обычное взаимодействие с любой компанией. Обычные, стандартные бизнес-процессы. Ничего в них особенного нет.

Самое главное, что точно плохо заходит — продавать добро. «Что мы делаем? Мы делаем добрые дела. Мы все такие добрые, вдохновленные добрыми делами». **Мы не делаем дела. Это все очень сильно стигматизирует. Это очень сильно мешает. От добрых дел люди ждут какой-то социальной супер вдохновленности, гениальных свершений.**

(00:20:54)

На самом деле, это все не так. Мы должны получать полезность. Должен быть импульс — социальные изменения. Они должны быть устойчивыми. Градус добренького

добра нужно очень сильно принижать, потому что он никогда... С другой стороны, здесь стоит, конечно, сказать, что возможность чувствовать сопричастность к социальным изменениям... Нам очень часто говорят: «Если вы такие борзые, почему вы говорите, что у вас работают люди с инвалидностью? Вообще не нужно об этом говорить. Пусть просто приходят к вам. Не надо, чтобы кто-то знал, что у вас работают люди с инвалидностью». Я могу сказать, что это тоже про баланс. Важно понимать, почему это нужно говорить. Во-первых, это выгодно, потому что это позволяет нам решить проблему прохода через compliance внутри крупных компаний, потому что понятно, что маленькая компания или агентство никогда не зайдет в тендеры. Это невозможно. Если компания понимает, что мы несем какую-то дополнительную ценность, то люди уже могут поспособствовать тому, чтобы мы прошли и получили какие-то заказы, делали какие-то услуги. Это вопрос первой эмоции сопричастности. Дальше встают вопросы: сколько стоит, какие сроки, чем отличается, какие выгоды. Дальше все остальные процессы.

Светлана: Если это первое и эмоциональное, то как вы вышли на первое партнерство? Вы с кем-то в компании, может быть, с HR начали общаться? Рассылку делали? Как вы вышли на первый этап партнерства?

Респондент: Мы изначально начинали работать как агентство, в котором работают люди с разными видами инвалидности. Мы оказываем услуги в направлениях: дизайн, контент, веб-разработка, юриспруденция и так далее. У нас были контакты. Я и мой партнер, соучредитель Everland Игорь Новиков — мы из бизнеса. Мы были причастны к каким-то социальным программам, но у нас бизнес бэкграунд. Первые заказы были от наших прямых теплых контактов, конечно. Мы приходили к людям и просили: «Ребята, у нас есть это. Давайте мы вам что-нибудь сделаем». Тогда откликнулась Женя Чистова из «Билайна». Она попросила сделать им одну пробную инфографику. Мы сделали инфографику. Она понравилась компании, ее поставили в социальные сети. Мы сказали: «Можно, мы поставим ваш логотип, раз вы дали нам такую возможность?». Она согласилась.

Когда у нас было несколько клиентов, мы провели исследование о том, что делать людям с инвалидностью в России. Это была выпускная программа для контент-специалистов и дизайнеров. Далее, мы пошли рассказывать СМИ об этом, раздавать этот спецпроект о том, где сегодня могут работать люди с разными видами инвалидности. Одно из изданий «Секрет фирмы», а на тот момент у них была очень хорошая читаемость предпринимательской аудитории, сказало: «Хорошо, мы готовы написать. Дайте нам контакты ваших клиентов. Мы пойдем к ним и спросим». Мы дали контакты клиентов.

Вышла первая публикация, о которой мы даже не знали. Один из наших клиентов, который пришел за презентацией, которую сделал дизайнер с глухотой — Яна Марышева, и контент-специалист на инвалидной коляске. Клиент настолько вдохновился результатом, что сделал колонку вместе с журналистами. Там звучала история и заголовок был такой: «Данные аутисты за три копейки в один день сделали супер презентацию». Журналист с нами не согласовал, не показал. Это была публикация с огромным репостом. Потом в нее, конечно, вносились изменения. Мы пришли к журналисту и сказали, что это не про то. Однако это дало нам огромное количество заказов.

(00:25:57)

Мы три недели разбирали то, что входило трафиком на почту. Там были разные предложения: и совсем плохие, и клиенты, которые с нами до сих пор работают из года в год. Это все абсолютное совпадение.

Светлана: У меня пока больше нет вопросов, Денис.

Интервьюер: Я думаю, что задам последний вопрос от меня. Если у Светы не появится еще, то это будет последний. Он немного обратный от того, что я спрашивал про ресурсы и компетенции крупных корпораций при сотрудничестве. Вы как социальное предприятие активно сотрудничаете с бизнесами. Это смысл вашей бизнес-модели. Что вы можете выделить, как необходимые умения, скиллы, компетенции, которые нужны социальному предпринимателю, чтобы успешно взаимодействовать с бизнесом? Допустим, для социальных предприятий, которые хотят выйти на какое-то взаимодействие постоянное, есть ли какие-то компетенции, которые вы можете выделить у себя, которые помогают вам сотрудничать успешно?

Респондент: Это полезность. Это стремление сделать хорошо, то есть сделать так, чтобы был результат. На самом деле, результат сегодня ценят все. Всем нужен результат. Это очень сложная история. Нет просто социальных предпринимателей, как и нет просто людей с инвалидностью. Все социальные предприятия сегодня — это очень разные предприятия. Когда меня спрашивают, хочу ли я, чтобы социальных предпринимателей становилось больше, или о том, счастливая ли у меня жизнь, то я отвечаю, что не хочу, чтобы социальных предпринимателей становилось больше, потому что это крайне сложная жизнь. Посоветовать жить этой жизнью можно только врагу, чтобы навредить основательно. Это не легкий хлеб. Мы с Игорем до сих пор волонтеры, хотя мы вложили в проект собственные средства. Мы один из успешнейших проектов социального предпринимательства в России, но это все очень сложная история. Социальному

предпринимателю лучше на всякий случай в текущей обстановке не быть социальным предпринимателем, а быть кем-нибудь другим. Это все, что я могу сказать.

Требуется огромное количество всего: понимание бизнес-модели, проверка кучи гипотез, очень много инвестиций, нужно впахивать до конца, очень много вкладывать для достижения реального результата, в том числе социального. Дело в том, что социальная сфера не прощает поверхностности. Если человек приходит, чтобы решить какие-то свои задачи, то это не та ниша абсолютно точно. Очень многие социальные предприниматели выгорают, приходя через добренькое добро. Нужно быть очень приземленными. Нужно снижать градус восторженности, потому что он сильно мешает. Во-первых, он связан с очень сильным выгоранием. Во-вторых, он мешает критично смотреть на все происходящее внутри проекта. Он мешает гибко реагировать на изменения, которые будут требоваться. Это очень сложный процесс изобретательства и настоящего предпринимательства при фактическом отсутствии поддержки. Сказать, что все жду социальных предпринимателей, готовы им анонсировать и сказать: «Пожалуйста. Вы такие классные. Делаете сами услуги. Мы вам будем за это платить, платить и еще раз платить», — конечно, нельзя. Здесь нужно быть устойчивым. Это очень сложный хлеб. Он крайне неблагодарный.

Интервьюер: Спасибо большое. Я думаю, что на этом все.

Светлана: Спасибо вам большое.

Интервьюер: У меня больше вопросов нет. Спасибо вам огромное. Успехов вам. У вас интересный проект.

Респондент: Спасибо. Успехов всем нам.

Светлана: Спасибо большое за ваше время.

Респондент: Всего доброго. Вам тоже удачи в написании. До свидания.

Интервьюер: Спасибо. Всего доброго.

(00:30:58) (Конец записи.)

APPENDIX 4

(00:00:00) (Start of recording)

Interviewer: Second question. How can you characterize your specific development strategy in the market? How are you currently developing? What areas are you expanding into?

Respondent: If we are talking about strategy, it is worth mentioning that what is going on right now is very different from what was a month ago. It is quite difficult for me to talk about what is happening now. Whether it will continue to happen is a very big question. Overall, we see business as our primary partner. We're helping business to be inclusive. There was this ESG global movement. Now it's questionable whether it remains relevant. It is based on the UN Sustainable Development Goals. We help business to make programs and become sustainable in part S - the social agenda. This is everything that concerns the company's employees, customers with disabilities. To build up business processes in a systematic and sustainable way so that they are not one-off charity actions, but simply become part of the natural, regular business processes of the company. This is the focus of our work.

Interviewer: Do you consider your business model innovative? If yes, what innovative features of your company can you highlight?

Respondent: Yes, I can say that, first of all, we are a big web infrastructure. We have a big IT segment. It's all happening for a reason. In order for some company to have employees with disabilities, you have to take a certain, very large amount of different steps to do that. We have a large IT platform where people with disabilities register. We conduct tests there with the participation of psychologists and specialized specialists. Training, different support activities. We have a certain algorithm for adapting vacancies and company positions. We have developed, introduced our own certification and audit of the accessibility of websites and mobile applications. Each step is associated with the invention of new tools to solve the social problem, because the ready-made solutions that we have, without customization do not work. It seems to us that we are quite successful in this.

The technologies that we create enable us to sustainably solve the social problem, on the one hand, for our social clients, which are people with disabilities. On the other hand, it is possible for business not to play nice, but to build normal, ordinary processes where these people become a natural part of the business strategy. In fact, this is the most important thing. It's what we invent and what we believe in. When the story about inclusion becomes a story about philanthropy and good deeds, it just doesn't work that way and it won't work. We need to figure out how to fit people

with completely different types of disabilities, in different situations, living in different places in difficult social circumstances. To really integrate them into the open labor market or to really do something. That's our focus.

Unfortunately, there's not a lot of that approach. It's a significant blow to the social sphere, really, because all the programs are mostly focused on assistance, on a supportive approach. These are all one-time things. They sometimes foster dependency, which ultimately prevents a social problem from really being addressed. This is where our entrepreneurial tools, which are really tools, are adapted to solve social problems.

(00:05:22)

Interviewer: Thank you. I have a question then about your partnerships with businesses. How does it happen at all? I understand that it's on commercial terms. Do large businesses pay you? How does that interaction even happen?

Respondent: Partnerships are built in different ways. I already said that Russian business is predominantly our main partner, thanks to which we... The problem of inclusion is such that even if we really want to, no non-profit sector and no government will ever be able to solve this problem apart from business. If a company doesn't have real market instruments to change its business processes, there will never be changes in the social sphere. It simply can't happen, because business creates jobs, services. We are trying to make money: 75% of our turnover is the services we provide, through which we create jobs for people with disabilities. These are different services. We do a lot of projects as investments in testing hypotheses of some kind, including pro bono. If we see that this is an important step, we need to test it out first. Here many companies often act as donors, that is, they from the charitable and social budgets sponsor and support such activity. The state gives grants for such activities. This also helps us. About 30-35% is what we fundraise. We do not earn this money, we attract it as charitable donations or grant programs.

Interviewer: Can you tell us examples of your most successful projects in partnership with other companies? At least one project.

Respondent: Of course. I can say that we did a lot of programs together, for example, with Beeline. This is one of our key partners, thanks to which we were able to invent a lot of things that then helped influence systemic changes. Thanks to this collaboration, we did a lot of cool things. For example, we invented how to audit websites and mobile apps of large companies using blind testers. We made a certification system. Today there are already more than 15 very big companies out there, the major players. They are participating in these changes and have taken advantage of

the audit service. We conducted large, global surveys of the accessibility of Runet. Today we have already checked more than 100 companies' websites and mobile applications for accessibility for blind people and people with motor disabilities. This is one of the cases.

Next, we have rolled out a program with the company Perekrestok to adapt the offline infrastructure and systematically conduct self-audits to make the stores and service accessible to customers with different types of disabilities. Not just those with obvious disabilities, but other groups of low-mobility customers as well.

(00:10:32)

We have great employment programs. For example, with Sovcombank, we launched, thanks to a partnership, a remote work project for people with different types of disabilities. We have developed algorithms that allow people with very complex disabilities to integrate into their professions in a sustainable way. There are many such programs. We have a large number of partners. We work with all of the companies in the major fields. With each of them we did something new. Thanks to the trust of the partner, we got the opportunity to move forward and provide other companies with services, taking into account the understanding of building business processes. This is very important, because just from a social niche, it is impossible to offer something that will really work sustainably on the business side. For example, taking into account different business processes. All companies have different business processes. Some companies develop websites and applications in-house, because they have large development teams. Some outsource this. Some do it differently. It's very different for everyone. In order to take all these aspects into account, to understand what's important and critical, you need a lot of trust from the business to run some kind of pilot, to make it sustainable to the end.

It's not just a one-time action. This is also important to understand. One-time actions do not produce any social change. Since we're social entrepreneurs and we're all about consistency, we have a rule that we don't do anything just for the sake of doing something. Not even for money. We're not allowed to come in and practice something. "Why don't we run something? Here's a budget for you. Let's try it." It's not a workable story because we have a responsibility to people with disabilities, to our social clientele. A large community that trusts us. We can't just do some crap that won't benefit anyone. If there is no social balance and consideration for the interests of the social client and the business client, then this story just won't work. It's impossible. We'll get nothing but wasted effort and another fake project. That's the kind of thing we never get into. We try to convince our partners to do things as sustainably and systematically as possible, because one-offs... We have a term called "inclusion poisoning." A one-time, poorly run program is worse

than no program. Doing something that will later produce a lesser result is far worse for the social task and for business than doing nothing and waiting until some systemic project is possible. So, this is a very important story. Even if it is not economically profitable, we always stand on it and try to convince our partners.

Svetlana: I also have a question. Elena, tell me what other qualities are important to you as a social entrepreneur. You mentioned trust on both sides. On your part you need to understand the specifics of your partner's business, a large corporation. What other qualities did you need? Maybe what other qualities do you need to develop to make these partnerships better? Maybe you can advise other social entrepreneurs of key qualities that help this collaboration develop better, or start to create one?

Respondent: Everything about social entrepreneurship has to do with one word: balance. Social entrepreneur is about balance. The balance of social and entrepreneurial. Let's say clients come to us and say, "You have designers who are deaf. We want these designers to call us, we want them to participate in collages." Just because a client would like to talk to a designer and make edits with their voice doesn't make the designers deaf. It's very important to talk about the fact that there are such characteristics of people with disabilities. They need to be taken into account. At the same time does not allow us to do design poorly, focusing on the fact that designers with disabilities. "We have designers with disabilities, so we did poorly and not on time. You understand, don't you? It's the circumstances we have. Give us a discount," that story doesn't work. Constant accounting and the need to keep a balance between the social and the entrepreneurial is wildly important. It's about everything.

(00:15:39)

Let's say, "You have people with disabilities. What's your main UTP (unique selling point)? Do they cost cheaper than services?" No, services can't cost cheaper than services. If the service is quality, on time, and marketable, it can cost exactly what any service in the marketplace costs. This does not apply to a person with a disability. For example, "You have a super exclusive agency that employs people with disabilities. So your services should cost more because they have extra social value." No, they cannot and should not cost more. It's all a set of balances that it's very important to always consider and keep a balance.

It's about counseling clients and partners, for example. You always have to tell it like it is. If you do now only adapt the website, but do not work with the call center, delivery, then it will not get you anything, because people with disabilities not only interact with the website, but also order a service at home - a courier comes. If there's a complaint, they need interaction with

customer service, so investing in one thing while forgetting the other is not worth it. You won't get the result you want. Let's still do it the way it will further benefit you. This applies to every step.

Let's say they come to us and say, "We have an opening. Find us people with disabilities. We want to do good things." That doesn't work, because it doesn't work to just recruit for a job. You have to train the team, understand how you're going to interview, what kind of people they are, what disabilities are available or inaccessible for the task, build the communication correctly. There's a lot to do to get the inclusion started. We talk about this.

It is very important here to be able to look for a joint, a balance, and clearly assess the risks and interests of all parties. This is the only secret, the only key to social entrepreneurship.

Svetlana: Thank you.

Interviewer: If you continue with that thought, in your opinion, what competencies or resources do you think large enterprises need to have over social enterprises, particularly social enterprises like yours? On increasing inclusiveness.

Respondent: To be willing to do the whole thing and do it well. Nothing extra. The question here is what goals the company sets for itself. The company is setting goals for real sustainable change - it's a matter of the professionalism of the person in charge of the process. If that's really what's beneficial in the end, because disabled clients are a good and very large niche. Sometimes it also includes friends, relatives, and security for the client who is caught up in the situation of their disability. It's not just people with disabilities who need adapted services. All of us need them, for example, to be able to use the money in the bank in any situation. If there is an internal focus on making these changes systemic and sustainable, not just for PR purposes or for the sake of some action, then most often cooperation works out. We are not going to demand any kind of attitude.

Builders come to the company to do office renovation. The company tells them, "We don't want you to paint the walls with paint, but with glue." That's not going to work. The walls are painted with paint. You can certainly want to paint with glue, but it doesn't work that way. The same goes for us. We have to be exactly the same partners. If that's not possible, you just have to say it and explain it, while keeping the usual professional market approaches. Business doesn't expect anything and doesn't owe anything. It is a normal interaction with any company. Ordinary, standard business processes. There is nothing special about them.

The most important thing that's sure to go bad is selling the good stuff. "What are we doing? We're doing good things. We're all so good, inspired by good deeds." We don't do good deeds. It's

all very stigmatizing. It's very much a hindrance. People expect some kind of social super inspiration, genius accomplishments from good deeds.

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Actually, it's all wrong. We have to get utility. There has to be momentum - social change. They have to be sustained. The degree of goodness needs to be very much downgraded, because it never is. On the other hand, it is worth saying here, of course, that the opportunity to feel ownership of social change... We are very often told, "If you are such a greyhound, why do you say that you have people with disabilities working for you? You don't need to talk about it at all. Just let them come to you. You don't want anyone to know that you have people with disabilities working for you. I can say it's about balance, too. It's important to understand why it needs to be said. First of all, it's beneficial because it allows us to solve the problem of getting past the big companies, because it's clear that a small company or agency is never going to get into tenders. It's impossible. If a company understands that we carry some additional value, then people can already encourage us to go through and get some orders, do some services. It's a question of the first emotion of involvement. Then there are questions: how much does it cost, what are the deadlines, how is it different, what are the benefits. Then there are all the other processes.

Svetlana: If this is the first and emotional, how did you get to the first partnership? Did you start communicating with someone in the company, maybe HR? Did you do a mailing list? How did you get to the first phase of the partnership?

Respondent: We originally started out as an agency with people with different types of disabilities. We provide services in the areas of design, content, web development, law, and so on. We had contacts. Me and my partner, Everland co-founder Igor Novikov - we are from the business. We were involved in some social programs, but we have a business background. The first orders were from our direct warm contacts, of course. We would come to people and ask, "Guys, we have this. Let us make you something." Then Zhenya Chistova from Beeline responded. She asked us to make them one trial infographic. We made the infographic. The company liked it, and it was posted on social networks. We said, "Can we put your logo, since you gave us the opportunity? She agreed.

When we had a few clients, we did research on what people with disabilities do in Russia. It was a graduate program for content specialists and designers. Next, we went to tell the media about it, to hand out this special project about where people with different types of disabilities can work today. One of the publications, "Secret of the Firm," and at that time they had a very good readership of the entrepreneurial audience, said, "Okay, we are ready to write. Give us your clients'

contacts. We'll go to them and ask them." We gave our clients' contacts. The first publication came out that we didn't even know about. One of our clients who came in for a presentation that was done by a designer with deafness, Yana Marysheva, and a content specialist in a wheelchair. The client was so inspired by the result that he did a column with journalists. There was a story and the headline was: "These autistic people made a super presentation for three kopecks in one day". The journalist didn't coordinate with us, didn't show it. It was a publication with a huge repost. Then, of course, it was amended. We went to the journalist and said it was not about that. However, it gave us a huge number of orders.

(00:25:57)

We spent three weeks sorting out what traffic was coming in to the post. There were all kinds of offers: some really bad ones, and some clients that are still working with us year after year. It's all an absolute coincidence.

Svetlana: I don't have any more questions yet, Denis.

Interviewer: I think I'll ask the last question from me. If Sveta doesn't have any more, this will be the last one. It's a little bit backward from the one I asked about the resources and competencies of large corporations when cooperating. As a social enterprise, you actively collaborate with businesses. That's the point of your business model. What can you identify as the necessary skills, skills, and competencies that a social entrepreneur needs to successfully collaborate with businesses? Let's say for social enterprises that want to enter into some kind of interaction permanently, are there any competencies that you can highlight in yourself that help you cooperate successfully?

Respondent: It's helpfulness. It's the desire to do well, that is, to make sure that there is a result. In fact, everybody values results today. Everybody wants results. It's a very complicated story. There are no just social entrepreneurs, just like there are no just people with disabilities. All social enterprises today are very different businesses. When people ask me if I want more social entrepreneurs or if I have a happy life, my answer is that I don't want more social entrepreneurs because it's an extremely complicated life. You can only advise an enemy to live this life in order to hurt you thoroughly. This is not easy bread. Igor and I are still volunteers, even though we invested our own money into the project. We are one of the most successful social entrepreneurship projects in Russia, but it's all a very complicated story. Just in case in the current situation it is better for a social entrepreneur not to be a social entrepreneur, but to be someone else. That is all I can say.

A huge quantity of everything is required: understanding of a business model, check of a heap of hypotheses, very much investments, it is necessary to plow down to the end, very much to invest for achievement of the real result, including social. The thing is that the social sphere does not forgive superficiality. If a person comes to solve some problems, this is absolutely the wrong niche. A lot of social entrepreneurs burn out by coming in through goodwill. We have to be very down-to-earth. You have to lower the degree of enthusiasm, because it gets in the way a lot. First of all, it is associated with a very strong burnout. Secondly, it prevents you from taking a critical look at everything that is going on inside the project. It prevents you from responding flexibly to the changes that will be required. This is a very difficult process of invention and true entrepreneurship with virtually no support. To say that everyone is waiting for social entrepreneurs, ready to announce them and say, "Please. You're so cool. You do your own services. We will pay you for it and pay you and pay you again," you can't, of course. You have to be sustainable here. This is a very difficult bread. It's extremely ungrateful.

Interviewer: Thank you very much. I think that's the end of it.

Svetlana: Thank you very much.

Interviewer: I have no more questions. Thank you very much. I wish you success. You have an interesting project.

Respondent: Thank you. Good luck to all of us.

Svetlana: Thank you very much for your time.

Respondent: Have a good day. Good luck with your writing, too. Goodbye.

Interviewer: Thank you. Good day to you.

(00:30:58) (End of recording.)