ENTREPRENEURSHIP SUCCESS FACTORS: SOCIAL ASPECTS AND RESULTS

© 2009 A.P. Sitnikov*

Keywords: entrepreneurship, social entrepreneurship, social results, social projects, social organizations, social and political projects, factors of success.

Social entrepreneurship as a phenomenon of social and political and social and economic life and as a notion used both in the academic environment and in mass media, is presently becoming not only popular, but important as well. The article enables to determine the main factors of success of social and political entrepreneur projects.

It is common knowledge that a successful entrepreneur, irrespective of the subject area of applying his/her efforts, is different from other people, including less successful entrepreneurs, due to the fact that he/she is more self-confident and more logical in his/her actions. In the course of studying the matter the author of the article had to face a survey, in which it was quite convincingly shown that more successful entrepreneurs not necessarily must be more confident, logical and competent. The main differences, according to the author of the article, lie, first of all, in the "motivation quality", in the set of personal qualities related to the doer's motivation, relation to the task set and to the desired results. No matter how strange it may sound, the conclusions of this article are confirmed by a survey concerning concrete examples of social and political entrepreneurship, abundantly quoted in the work carried out by David Bronstein and in some other sources. The most successful entrepreneurs are the people, who are the most motivated for the achievement of long-term goals being for them of unconditionally high, vital interest and sense. Consequently, they are longing for a more systematic search for opportunities enabling them to reach the goals, prevent and overcome the obstacles, outcome monitoring, planning and organization of activities. Such entrepreneurs are maximally concerned with regard to the quality of the results being created and to the effectiveness of the activities on the whole. They are more devoted to people, whom they employ to their teams, and to their partners. Finally, for them long-term prospects will prevail over short-term benefits, interests and prospects.

Starting out from the above-mentioned article and from the results of the surveys concerning concrete examples of social and political entrepreneurship, the author of this article

could state the following six principal factors of success:

- ♦ Readiness for self-correction;
- Ability to share success;
- ◆ Readiness to withstand the resistance of the established political structures;
 - ♦ Ability to apply interdisciplinary approach;
- ♦ Readiness for inconspicuous long-lasting work;
- ♦ Availability of strong ethical stimuli for activities.

It makes sense to dwell on each of the stated factors of success of social and political entrepreneurship in more detail.

Readiness for self-correction. Due to the fact that for a successful social and political entrepreneur an unconditional dominant of the behavior is the goal and its achievement, then the sequence of actions on its accomplishment are somewhat minor tasks. Successful social and political entrepreneurs readily and easily alter any earlier planned actions flexibly adapting themselves to changing conditions. This quality may seem simple and banal, nevertheless, this factor does not occasionally occupy the first position in the entire list. In the practice of managing large and complicated initiatives it is actually difficult to change anything in the course of the activities. The examples of such a behavior may be Veronica Josa, when she discovered that her model of home medical centers concentrated on HIV infected people did not meet social requirements, and then changed the model into general medical home centers, or J.B. Schramm, when he saw that his model of teaching the students willing to get an academic degree, but having no opportunity to do it, requires a serious review and more systematic scaling, in order to have a politically significant effect objectively, and he withdrew his proposals on academic programs from many states.

^{*} Alexey P. Sitnikov, the Head of the Department of Political consulting and selective technologies of State University - Higher School of Economics. E-mail: nauka@sseu.ru.

It is interesting that many researchers of the entrepreneurship phenomenon, including that of social and political nature, note that the readiness for self-correction is a feature, which distinguishes younger entrepreneurs from their more experienced colleagues, who have already achieved serious success. This feature is reducing with the time, in the course of which the entrepreneur was attached to his/her ideas, models, and concepts. Moreover, entrepreneurs are inclined to losing the stable and vital connection with the environment surrounding them as their organizations are developing and growing. Usually the development of an organization is accompanied by formalization and bureaucratization of information processes. If at the initial stages the social and political entrepreneur obtained information mainly through his/her social network, then at the stages of the organization's maturity he/she is giving more and more preference to formal, administrative structures, which impart stability to the organization's activities, but alongside that make the information flows extremely slow. The entrepreneur withdraws from the use of informal relations just like his/her social computer within the framework of the social network and switches over to formal relations in the organization. The information along the formal managerial channels is running more slowly, the problems are being revealed with a delay, and responsive solutions to these problems are being elaborated with a still greater delay. The correction in this case will be accompanied with big losses in time and money for re-training many people. Besides, the influence of the sunk costs will affect the resolution on bringing in alterations. The thing is that the investments that have already been made (not necessarily of the financial nature, but those measured in time) will dispose the entrepreneur to continue the course of actions chosen previously. And the more resources were invested, the more complicated it will be to review the development strategy, even in spite of the evident dead end of the previous strategy.

Ability to share success. As David Bronstein repeatedly points out in his description of examples of social and political entrepreneurship, "there are actually no limits for your accomplishments, if you do not care, who most of all deserves recognition and honor." For social and political entrepreneurs the ability to share success is the key to success as such. The more the entrepreneur shares success with others,

the more people will help him/her, thus increasing the probability of the project success for everyone. The ability to share success derives from the entrepreneur's motivation, the same as the readiness for corrections. If a social and political entrepreneur is interested in changing the society as the ultimate goal, and not in the acquisition of some additional status, as it happens in political activities, and not in the assumption of the added value, as it takes place in economic activities, then the success of the project is not treated by him/her as his/her property. Just the opposite, the success of the project is used by the entrepreneur as a mechanism to motivate other participants of the initiative, may be not having such a clear motivation for ultimate targets. However, if the doer's actual intention is to gain recognition and honor for the alterations carried out in the society, then the ability to share success will only interfere with achieving it. But this very motive of behavior will not let involve other people in the project and to communicate motivation to them.

Readiness to withstand the resistance of the established political structures. A lot has been said in this article about the contradiction of entrepreneur and constitutional approaches. It follows thence that an entrepreneur should be ready to act as an initiator and leader of changes, to which already established political institutions and forces will oppose in an orderly manner and at times furiously. The classic of political thought N. Macchiavelli once spoke out brightly and convincingly on this theme in his famous book "Sovereign". He said that for the initiators of changes "the difficulty first of all lies in the fact that they have to introduce new determinations and orders, failing at which it is impossible to find a state and provide safety for oneself. And it is necessary to know that there is no a matter, whose arrangement would be more difficult, whose conduct would be more dangerous, and whose success would be more doubtful than the substitution of the old orders with the new ones. No matter who may appear with a similar initiative, he will face the hostility of those, for whom the old orders are profitable, and coldness of those, for whom the new ones are beneficial. As for this coldness, it can be explained partially by the fear towards the opponent, on whose side there are the laws; partially by the incredulity of people, who actually do not

believe in anything new, until it is fixed on the basis of long-lasting experience. When the supporters of the old order see an opportunity to act, they attack with exasperation, whereas the supporters of the new order are defending droopingly, that is why, backing on them, one gets subjected to danger."

Ability to apply interdisciplinary ap**proach**. Independence of the pressure of traditional political structures enables not only to get free from the prevailing viewpoints on the problems, but gives an opportunity to social and political entrepreneurs to use the necessary resources in a non-traditional, new way. Indeed, one of the modern tasks of a social and political entrepreneur lies in finding new combinations of social, political, economic and information resources, which might give a much greater effect than traditional combinations within the framework of established institutions. Here the entrepreneur acts as a "social and political alchemist", who unites into new patterns the primary elements - human ideas, experience, skills, energy with material resources, different from structures and organizations traditional for the society.

Social and political space is usually selforganized by some unity factors - the similarity of interests, the performed works, the culture, the experience, the skills, the territorial vicinity, after all. Universities are subdivided into faculties, state institutions - into departments and agencies, economy - into branches, economic entities - into divisions, etc. Social and political entrepreneurs long for re-creating out of this split space some certain entireties organized basing not on separation, but basing on the unification around ultimate targets and results. Thus, social and political entrepreneurs re-create the entirety of the social and political space disintegrated by modern technologies, scientific and economic specialization. For instance, G. Billimoria, who has already been mentioned, discovered the necessity of creating a unified telephone service for street children just due to the reason that state medical and police institutions could not coordinate any entrepreneurial efforts on this problem.

Readiness for inconspicuous long-lasting work. This factor of success is to a great extent connected with the ability to share success, and to be more exact, with a common setup, due to which a social and political entre-

preneur gives more priority to real accomplishments, and not to public recognition. Many social and political entrepreneurs spend several years, in order to promote their ideas gradually, to exert influence on people within the social network and in the course of a large number of personal meetings. It is this very inconspicuous work that enables them to create the necessary social capital, which importance in social and political projects cannot be overestimated. Very often entrepreneurs gain recognition only after many years of working in full shade and hidden from general public.

D. Bornstein gives an example of the famous in the United States of America John Woolman, a person, who managed to persuade the Quakers' community to free their slaves [Bornstein]. J. Woolman published his magazine, in which in the course of a long time he popularized his ideas and persuaded other people spending his personal time and remarkable journalistic talent on that. In her survey of the events accompanying the liberation of slaves in America Amelia M. Gummer writes that "J. Woolman exerted a far-reaching social and ethical influence over the entire American society. However, his personal modesty did not enable him to confess even to himself in the role he played in those great events".

Availability of strong ethical stimuli. As J. Schumpeter marked, entrepreneurs are interested not in the profit. The desire "to win a competitor's battle" and "the joy of creativity" drives them. The analogous utterance is applicable to social and political entrepreneurs. But the ethical side of their activities should be added here as well. The same as an economic entrepreneur, a social and political entrepreneur wishes to create a new, better order, to realize the dream about "the new beautiful world." But the social and political entrepreneur describes his/her vision of the "beautiful world" exclusively from the point of view of the public benefit, whereas the economic entrepreneur imminently bases on his /her personal state. The same J. Schumpeter, as one of the motives of the entrepreneur's activities, quoted the desire to create his/her own dynasty, his/her personal world. The new world of he social and political entrepreneur predeterminedly belongs to everyone without exception and it may be used without any financial restrictions.

In his book D. Bornstein quotes a curious confession of the social and political entrepreneur from Brazil Fabio Ros. Answering the question "Why are you working over public projects?" he said:

"I am trying to change a small part of our world in such a way that I would fell pleased to live in it. Any project is of any significance to me, only if it makes people happier and the nature - more respected, if it implies hopes for a better future. It is the soul of my projects.

Looking back, I many times asked myself the same question, because I had opportunities to occupy myself with something easier. But the things I am doing, only they make me happy. Also I think that persistence and perseverance are good qualities and I want to see that I possess and master them.

Working over my projects, I actually dream of a new world. My projects always renovate and strengthen my belief in the achievable harmony in life, in the possibility to overcome poverty. With our knowledge, capabilities and culture we can improve our common life without destroying natural and cultural environment thereby. When people work together, they become powerful, and the source of this power is friendship. Ultimately, there is harmony, calmness and optimism in the world.

Another panhuman motive in my activities is the fact that all my projects are practically realizable. Even if there is any romanticism in my vision, all the projects are aimed at practical results improving the reality.

Concerning the money. I really need money. The money is extremely important for my projects. But the money has sense only in case it helps people to solve their problems and create the world I have described above. My projects help other people to become richer, and to some extent this wealth returns to me as well. The realization of the projects, which enable to realize my dreams, is actual happiness. And money is only the means alleviating their realization".

What is the reason and source of such ethical motivation? While stating the notion of social entrepreneurship, most often motivation occurs as a result of the perception of ineffective balance in the system based on the example of any of close friends or relatives. But B. Drayton notes that

ethical motivation is transferred by means of personal examples. In his interviews he revealed that in the majority of cases there was a close person, for example, a father, uncle, grandfather, who was guided by high ethical principles and who shared moral values. From such a close person the social and political entrepreneur usually gets the main "charge" of ethical motivation. J. Jensen, representative of the Ashoka organization in Hungary, marked that ethical motivation may be experienced on a physical level. An active social and political doer felt physically unpleasant sensations, at times similar to pain, if he/she did not participate in a public project significant for him/her. J. Jensen writes that "they said "I just have to do it; I cannot do anything else"".

Though it is quite complicated to find out up to the end, how and why some people become social and political entrepreneurs, it is rather easy to identify them, first of all, by their strong ethical motivation of serving the social tasks. The ask of any healthy society and of all the public forces is to find such people, organize their activity, provide them with information and intellectually, in order to increase the effectiveness of searching for new opportunities, submit to them scientifically substantiated management methods, assist in the financing of their projects, in the most common sense, help social and political entrepreneurs to do what they do.

Macchiavelli N. Sovereign. M., 1990.

Stigliets J.E. Globalization: disquieting tendencies / Translation from English and remarks by G.G. Pirogov. M., 2003.

Schumpeter J. Economic development theory (Survey on entrepreneur profit, capital, credit, interest and conjuncture cycle): translated from English. M., 1982.

Bornstein D. How to Change the World: Social Entrepreneurs and the Power of New Ideas. Oxford, 2004.

Gummere A.M. "The early Quakers in New Jersey", in The Quakers in the American Colonies, ed. Rufus M.Jones. London, 1911.

McClelland D.C. Characteristics of Successful Entrepreneurs // J. of Creative Behavior. 1987. № 21.

Monnet J. Memoirs. N.Y., 1978.

Rosenberg T. How to solve the world's AIDS crisis? // The New York Magazine. 2001. January 28.

Yunus M. Banker to the poor: Microlending and the battle against world poverty. N.Y., 1999.