

BENCHMARKING OF SOCIAL ENTREPRENEURSHIP IN URBAN AND RURAL AREAS. A PRELIMINARY MARKET STUDY IN GREECE

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ABSTRACT

The factors that enhance or weaken entrepreneurship in urban and rural areas have been analyzed very carefully but the scientific research on rural entrepreneurship is considered to be relatively poor. The research provides, a “deeper” knowledge of the procedures that promote or hinder social entrepreneurship in both areas, willing to be able to bridge this research gap. The research also manages to activate entrepreneurial and other types of dynamics in the areas under investigation, under the context of a pilot planning of Social Entrepreneurship according to actual and tacit needs of the local population, in order to create a favorable environment for social economy. Based on empirical data from two representative areas in Greece, Pyli and Thessaloniki, a systematic approach in recording the populations’ opinion on the issues was attempted. Main findings show that Social Economy sector can provide important solutions for creating job opportunities and could constitute an alternative dealing with the severe economic crisis in the country. The main contribution of the study seems to be its indication that there is a significant difference or rural and urban entrepreneurship even at local level. Findings actually support the assumption that different entrepreneurship support policies should be prepared for different regions at local, regional, national and European level in order to address successfully the distinctive culture and environment of the communities involved.

Keywords: *Social entrepreneurship, social economy, urban entrepreneurship, rural entrepreneurship, economic crisis.*

INTRODUCTION

European Commission places particular emphasis on the Social Economy sector during the current programming period (2014-2020), through the initiatives provided by the Social Business Initiative. Social Economy can play an important role in the development of social innovation in many policy

areas, such as addressing the unemployment and the environmental protection, while it can combine profitability through solidarity, new job creation, enhancement of social cohesion, active participation and empowerment of local communities, by giving priority to the people. It can be argued that Social Entrepreneurship is an emerging alternative form of entrepreneurship based on the Social Economy. Recently, a new legal form of entrepreneurship, the Social Cooperative Enterprise (SCE), has been instituted in Greece (Law 4019/2011) by setting the operating framework for these types of enterprises. The profit of this new form of entrepreneurship comes from the activities that serve the social welfare. The third sector, as it is also known, according to a study of the International Scientific Committee for Social Economy (2000), it is well developed in European Union and mainly in Netherlands (14,7%), Ireland (12,6%) and in Denmark (12,6%), while to the lowest places in ranking stand Portugal (2,5%) and Greece (1,6%). More specifically, regarding Greece, we have to mention that according to existing statistics, the percentage of people dealing with social economy is approximately the 1,8% of the total occupation in the country and the 2,9% of the stipendiary occupation (Glaveli, 2014). Till recently the forms of social economy in Greece were occasional without showing any significant growth (Cicopa, 2013), mainly because of a number of weaknesses such as the lack of the legislative context, entrepreneurial know how and training on the issue, bureaucracy etc. (Glaveli, 2014; Baloyrdos and Geormas, 2012; Goniotakis et al., 2013).

In recent years, the factors that enhance or weaken entrepreneurship in rural and urban areas have been analyzed very carefully (Jack and Anderson, 2002), but the scientific research for the social entrepreneurship in both areas is considered relatively poor. Therefore, a “deeper” knowledge of the procedures that promote or hinder social entrepreneurship in both areas, will be able to bridge this research gap. Several researchers have attempted to analyze entrepreneurship in these areas, by using a large number of theoretical research backgrounds from various fields of science, such as Business Administration, Economics, Sociology and Geography (Stathopoulou, Psaltopoulos, and Skuras, 2004; Jack and Anderson, 2002). The aim of the present research, is to benchmark the opinions of the Greek citizens, both in urban and rural areas, about the potentials for this new form of entrepreneurship in Greece and the role that it could play for sustainable development, through the creation of new job opportunities with respect to environmental, social and cultural issues.

LITERATURE REVIEW

Entrepreneurship and rural areas

It is common that a field of social entrepreneurship, especially in rural areas, is environmental protection aiming to alternative ways for production and income earning (Borzaga et al., 2013). This new rising form of economic activity, combines the efforts for compromising economic growth and

environmental protection (Christacis, 2013), promoting a model for sustainable development based on innovation (Trigkas et al., 2012; 2011a; 2011b; Papadopoulos, et al., 2014; 2010), boosting simultaneously both local and national economies, by using local resources (Christacis, 2013; Sideartou, 2011).

The economy of rural regions depends mainly on the service sector. In general, the tertiary sector or the service sector is the main area of economic activity in the EU. In 2010 this sector represented 64.6% of added value in predominantly rural regions (Harpa et al. 2016). The secondary sector (mining, manufacturing and construction) in rural regions contributed with 30.9% of added value in 2010, slightly more than in intermediate regions and predominantly urban (29.1% and 20.8% respectively). The primary sector (agriculture, forestry and fishing) accounted for only 4.4% of added value in predominantly rural regions of the EU27 in 2010. The structure of the economy varies greatly depending on the type of region and country. The primary sector in predominantly rural regions in Greece, is only 7.0% of the total VGA, standing among the last countries in the EU-27 (Harpa et al. 2016). The importance of the secondary sector (which includes food), in predominantly rural regions in Greece recorded only 22%. On the other hand, predominantly rural regions in Greece (70.6%) presented the greatest importance of the services sector. In most countries, in rural regions, the importance of the secondary sector decreased in favor of the third sector during that period, probably due to greater impact of the economic crisis in the industry and, in particular, in construction activities in some Member States (Harpa et al. 2016)..

Relations between rural and urban entrepreneurship in SME's

Rural regions show a significant differentiation than urban ones, regarding establishment and growth of entrepreneurial activity (Backman and Palmberg, 2015). Thus, some locations are characterized by an abundance of important input factors for firm growth, such as labor, capital, information, financial resources, and material. On the other hand, urban sites bring several advantages to firms (Parr, 2002). Norton (1992) considered these advantages within three categories, and thereby found that an urban location offers (1) a diversified supply of various producer services; (2) a regional network for information flows about new production techniques, products, customers, and suppliers; and (3) a large and differentiated supply of labor.

A disadvantage with urban areas is, however, an increased competition level for resources, inputs, customers, and suppliers that has a negative influence on firm employment growth (Stearns et al., 1995). In addition, firms located in urban areas jointly create an environment in which ideas and knowledge can flow rapidly. As opposed to knowledge that can be codified, the type of complex local knowledge referred to here is distance sensitive and typically requires face-to-face meetings for

knowledge exchange to occur. Urban locations have a natural advantage over rural locations because face-to-face meetings are a positive function of the size of the location. These knowledge spillovers increase the propensity to innovate and thus increase firm growth (Audretsch, 1998; Malmberg and Maskell, 2002; Storper and Venables, 2004).

In rural areas, personal interactions and, hence, knowledge externalities are less frequent, and firms face less demand for their products in both their immediate surrounding environment (Duranton & Puga, 2004). Moreover, rural areas often lack important resources needed for firm growth, such as skilled labor and/or financial capital, or at least the supply of these production factors is less diversified in rural regions than in larger and denser regions (Backman, 2013). These factors lower the average employment growth relative to that of firms located in more urban settings (Littunen, 2000; Tunberg, 2014). However, rural firms tend to have a higher survival probability, which might be due to a lower level of competition and lower costs of doing business (van Horn & Harvey, 1998).

Davidsson and Honig (2003) found that small firms located in a rural context are heavily reliant on the resources and knowledge that can be accessed through friends and family. Consistent with that result, Meccheri and Pelloni (2006) established that firm performance in rural areas depends more on the human capital in the firm and the social local anchoring. Thus, social capital – contacts through professional and private networks – facilitates the identification and exploitation of economic opportunities and resources. This facilitation is especially important in rural areas because such resources are scarcer in these locations (Uzzi, 1999). The importance of social bonds and regional embeddedness, as previously discussed, is also important for a firm's ability to foster and sustain innovation abilities. Studies focusing on the innovation capabilities of firms have found that these social bonds are mainly built through a common corporate or educational background or family connections (Breschi & Lissoni, 2001).

Another component influencing firm growth is the financing of firms, with rural firms more often relying on financing through personal and professional networks (i.e., relationship lending). These financial resources have a geographical aspect, in that they are provided by friends and family who are in close proximity (Meccheri & Pelloni, 2006). Family firms also have an advantage in this regard because they are more locally (socially) embedded in the region. This characteristic might be very significant because rural home-based businesses were found to generate less income (Olson et al., 2003) and family businesses in rural locations were more likely to have cash flow problems (Brewton et al., 2010). Firm survival dynamics varied for rural and urban firms. Olson et al. (2003) found that rural firms were less successful than urban firms and that rural owning families derived less income from their firms than urban owning families.

For social entrepreneurship, Harding (2006) argues that, the regional differences are much narrower than they are for mainstream entrepreneurship. However, there are differences in stages of development: the most deprived wards have significantly higher levels of baby social entrepreneurs and established social entrepreneurs suggesting that there is a role for social entrepreneurship in regenerating deprived communities. Similarly, rural areas are more socially entrepreneurial than urban areas (Harding, 2006).

The Greek reality in rural areas

According to the OECD definition of rural areas (2010), 85% of the total area of Greece is rural, while the population in rural areas represents 27.2% of the total population (10.9 million in 2010). Therefore, we can say that rural areas of Greece are far more important than the average in the EU-27.

The Greek primary sector has a special social and environmental role in the global economy and provides a significant percentage of jobs (11.4% in 2011). The main industry sectors of the rural economy are meat, milk, vegetable cultivation, organic farming etc. There is a strong presence of Greek enterprises in the agro-food sector in international markets, while there is a favorable climate for agricultural production and organic livestock. Rural areas in Greece are also rich in cultural heritage and provide opportunities for diversification of the rural economy. The weak parts of rural economy vary according to geographical areas. Mountain areas are characterized by low incomes, an aging and declining population, low level of education, low social and cultural level, and a lack of infrastructure. Islands, despite the advantageous positioning, face problems of social services and transport, leading to a reduced level of exploitation of their potential. On the other hand, the favorable climate, the demand for quality products and large amount of agricultural products exported are opportunities that can be exploited in order to improve rural environment (Harpa et al. 2016).

In mountainous areas, the need for economic differentiation and integrated development is even more intense since the topography, the remoteness of these areas, the environmental constraints and the social and economic structure of the population, reduce the number of job opportunities. On the other hand, many opportunities are presented including the increased demand for recreational activities, for quality food products or for renewable energy sources etc. Furthermore, some mountainous areas are experiencing significant inflows of new residents, as a result of the economic crisis and the unemployment that occurred on the available forms of work in Greece (Trigkas et al., 2012). The population movements in these rural communities create the conditions for new investment projects and an increased income, since the new inhabitants are carrying significant entrepreneurial experience, capital and knowledge.

On the other hand, the traditional approaches concerning the development of mountainous rural areas have focused on the discovery of factors that lead to isolation by providing the conventional development tools (Efstratoglou and Psaltopoulos, 1999). The creation of competitive Small-Medium Enterprises (SMEs) constitutes a desirable solution to the existing problems. The mobilization of local resources so as to enhance the competitive advantage, local entrepreneurship and innovation, constitutes some of the development strategies that should be under serious investigation (Pezzini, 2001). Rural areas provide an innovative and entrepreneurial environment where the entrepreneurs may either prosper and grow or face very serious difficulties. The features of mountainous areas are considered major leaders not only regarding the opportunities for local entrepreneurship and innovation, but also for the weaknesses of the business process, forming a dense, complex and dynamic network of mutual interactions.

In particular, in the mountainous regions of Greece, it is observed that isolation exists from the markets and access to the consumers, the suppliers, the information sources and the institutions (Sergaki and Iliopoulos, 2010). The transportation cost of inputs/outputs is a very high and at the same time, adverse effects in information dissemination are observed. It is a major disadvantage since it impedes the function of the economies of scale and the diffusion of new technology, leading to non-competitive costs of business and finally, restricting the workforce mobility. The existence of significant natural resources and the climatic conditions of an area combining with the overall landscape can affect entrepreneurial activities, providing opportunities for the optimal use of those resources. Furthermore, in the less developed mountainous areas, cultural traditions can be found, while social trust, solidarity rules, cooperation networks and support mechanisms are absent.

Moreover, local capacity utilization has been limited to the use of local added value through local varieties, local products, special environmental conditions or even inputs of workers and knowledge. Ray's argument (1998) for the need for commercialization of local culture is a dynamic strategy for the development of innovation and entrepreneurship in rural areas. Furthermore, many researchers have highlighted that a possible development strategy for rural areas exists in the product quality markets (AEIDL, 2000; Barham, 2003; Ilbery and Kneafsey, 1998). A possible strategy as part of the broader product quality market could be the promotion of products with local or regional identity. By linking products with the "culture markets - culture economies" or local scenes such as cultural traditions and heritage, the value of the product increases because the consumers matches specific areas with specific products. Goodman (2003) claims that in Europe, the switch towards the quality of diet has offered significant opportunities for entrepreneurial activity in a new economic environment, more capable of withstanding the forces of globalization. Concurrent use of opportunities offered by Information and Communication Technologies (ICTs) will gradually set the boundaries of local markets and will

expose the economic activity to a greater competition (Grimes, 2001; Hetland & Meier-Dallach, 1998). Therefore, cognitive skills of local people will increase as access to the information will be improved (Grimes, 2000). The limited scale and sphere of influence of local markets, forces local entrepreneurs to develop innovative products and efficient marketing strategies (Papadopoulos et al., 2010, 2012) in order to compete with their counterparts in urban areas (Smallbone et al. 1999).

RESEARCH METHOD

The research method in the present study, uses as a basic instrument a specially constructed questionnaire for the purposes of the research, according to the basic disciplines of market research (Gordon and Langmaid, 1988; Tull and Hawkins, 1990; Doyle, 1998; Aaker et al, 2004). The questionnaires were collected through personal interviews with the residents and population in the study areas, which represent a typical urban area in Greece such as Thessaloniki is, as long as in a rural area, such as the mountainous regions of the municipality of Pyli in Trikala prefecture. The research was conducted by skilled researchers who addressed the residents by personal face-to-face interviews. The questionnaire consisted by three groups and a total of 28 questions. The first group consisted of eight questions regarding the level of familiarization and information of respondents regarding the concepts of social economy and social entrepreneurship. The second group of seven questions investigated the factors that impact development and existence of social entrepreneurship in the research areas. The third group of questions offered information about the respondents' profile such as age, sex, educational level, type of business ad profession, income etc.

The sample was chosen to include respondents of different background. In order to collect the necessary data a random sampling was engaged in the areas of Thessaloniki and mountainous regions of Pyli. The questionnaires were collected during September 2015 – June 2016. Questions are short, precise and easy to be understood by the majority of respondents. Likert scale was used for the majority of the questions.

At the beginning of the research, the researchers performed content validity of the questionnaire; this regarded an extensive literature review and several conversations with experts on the social entrepreneurship issue. Furthermore an extended literature review was conducted regarding the research issues. A pilot implementation of the questionnaire was initially launched in a small number of the population. Through this pre sampling the questions that had to be improved were detected and thus the quality of the final questionnaire was improved (Dillman 2000). The data were recorded, processed and analyzed via the statistical package SPSSWIN ver 22.0 and the appropriate tests for frequency (Frequencies), descriptive statistics (Descriptives), variable comparison analysis (Crosstabs),

and Correlation analysis (Person correlation) were conducted, in order to derive critical conclusions in regard of the issue under investigation.

RESULTS

Social entrepreneurship in urban areas

The first part of the results presents the opinions of the residents in urban areas in Greece.

The percentage of the questioned that have answered positive regarding the awareness of the meaning of social entrepreneurship rises up to 43,5%, while the rest 56,5% stated that they were unfamiliar, a percentage which is quite significant showing some lack of awareness. However, these percentages could be improved throughout extended and aimed information strategies on the issue.

The awareness of the meaning of social entrepreneurship is statistically related to some of the characteristics of the profile of the surveyed population. More specifically, this relation has to do with the level of education and age (marginal) (p-value (sig.) =0,040 and 0,049 respectively) at a significance level 5%, while no statistical relation occurred regarding the sex, occupation and annual income. The adjustment of the model to the used data was tested using (p-value (sig.) =0,675) while it's prediction reaches 61.3%. Information on social entrepreneurship comes mainly through internet (49,8%) and media (16%). At lower percentages stand the word of mouth information (8%), through school (6,7%) and the newspapers (4,9%), while a significant percentage (14,7%) was informed by other means except the above mentioned.

The majority of the sample (84,8%) has answered that there is a positive contribution of social enterprises towards the confrontation of the problems that the economic crisis generates. On the contrary, only a 15,2% believes that social enterprises don't give answers towards this direction during periods of economic instability and downturn.

The answers have shown that as major result of developing social entrepreneurship in urban areas is the creation of new occupation positions and the reduction of unemployment (4,23/5). Further significant results seem to be the motivation of local resources (human capital, knowledge, culture etc.) (3,86/5), the introduction to market of new capabilities and knowledge (3,76/5), the boosting of economic activity at local level (3,74/5), the creation of an innovative entrepreneurial ecosystem (3,64/5) and finally the improvement of incomes (3,62/5). As the main sectors and activities that social entrepreneurship could be developed in urban areas, the research has highlighted the vulnerable social groups (4,17/5), education (4,13/5), health services (4,09/5), environmental protection (3,95/5), utility services (3,90/5), culture (3,71/5), the preservation of traditional activities in urban areas and corporate social responsibility (3,31/5)

Further analysis revealed a very strong relation between the positive attitude in participating to social enterprises and the belief that social enterprises contribute towards the confrontation of problems during the economic crisis period, (p-value (sig.) = 0,000) at a significance level 5%, with the model showing a prediction capability of 87,0%. More specifically, since odds ratio (OR=exp(B)) is 18,463, when a surveyed has the belief that social enterprises contribute positively towards the confrontation of problems generating from the economic crisis, has a 100% increased possibility for participating in a social enterprise in relation to someone with no such belief.

The significance level of the factor regarding the improvement of incomes is statistically different in relation to the participation in social enterprises or not. More specifically income improvement seem to be more significant for the surveyed that have answered positively in participating to a social enterprise (sig. = 0.010 at a significance level 5%). Hence, we can argue that social entrepreneurship in urban areas of Greece, could constitute an alternative for the mitigation of the consequences of the economic crisis, based to participatory attitude of Greek urban population, leverage of their social needs and motivation of their capabilities. Thus, if we consider as desideratum the development of social entrepreneurship in urban areas, this could be achieved through aimed information and promotion strategy on the issue in urban population. This strategy should also take under consideration the results that the study has highlighted regarding the means of information to be used regarding social entrepreneurship.

Social entrepreneurship in rural areas

The results indicate that the majority of the residents of the Pyli area are rather unfamiliar with the concepts of social entrepreneurship and social economy. A significant percentage of them (22.4%) were informed about the two concepts by the researchers that contacted the research. Almost half of the surveyed sample had a low knowledge of the concepts and only the rest 23.5% were really familiar with them. The respondents state that they lack knowledge on the issues (66.7%). Women appear to be more informed with a significant statistical relation (Pearson $\chi^2 = 10.448$, for a significance level >99.9% Approx. Sig= 0.001). Most informed are entrepreneurs of the age 41-60 years (Pearson $\chi^2 = 6.580$ for a significance level >95% Approx. Sig= 0.037). It is quite interesting that people of the lower income (below 10.000 €) seem to be the less informed about social entrepreneurship with a statistically significant relation (Pearson $\chi^2 = 23.976$ for a significance level >99.9% Approx. Sig= 0.0001). This group perceives the concept of social entrepreneurship as the creation of business where employees are paid in the usual way but part of the profit goes to society as a whole. Those with as minimum to quite satisfactory knowledge on the social entrepreneurship concept claimed as their main sources local and regional institutes (36.7%), internet (16.3%) and mass media (10.2%). Word of mouth was the information media for only a 6.1%.

As expected, the 86.2% knew nothing about the institutional framework for social economy and social entrepreneurship in Greece or at global level. The rest 13.8% declared a rather low level of knowledge. However, the 70.8% of the respondents believes that social entrepreneurship in Greece must be supported by both public and private initiative. This percentage believes that social entrepreneurship needs more than 5 years to be well established in Greece. This can be attributed to the rather negative mood of the local residents and entrepreneurs due to the downgrading of the area the last seven years because of the severe and long-lasting economic recession.

However, when informed, almost all respondents (96.9%) agree that social enterprises can definitely (44.6%) and almost definitely (52.3%) assist the local society in solving the significant problems of the area due to the severe recession. Quite the same percentages seem to be positive in participating in a social enterprise which targets social benefits (Fig. 1). Women stated in total that they are positive but also rather skeptical in the perspective of participating into the creation of a social enterprise. The total negative percentage belongs to males. Furthermore and according to crosstabs control, there is a significant statistical relations between the intention to participate in a social enterprise and age (Cramer's $V=0.301$ for a significance level $>95\%$ Approx. Sig= 0.019). Actually, the bigger the age, the bigger the intention is. On the other hand, it appears that there is no significant statistical relation between the intention and the educational level or the yearly family income.

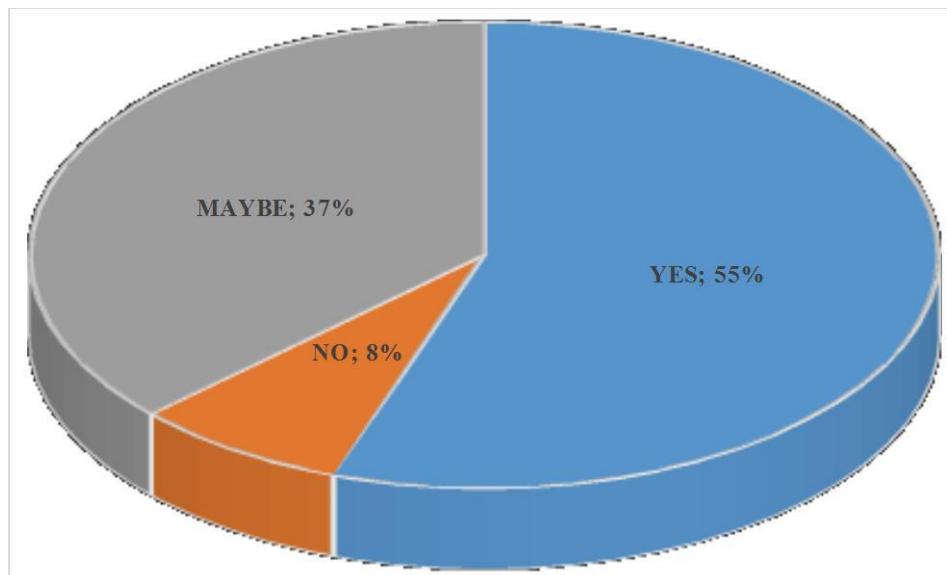


Figure 1: Intention of participation in social enterprises for social benefit

The importance of social entrepreneurship development in the mountainous area of Pyli appears to be: the creation of jobs (1.42); the support of the financial support at local level (1.68) and the increase of income (1.69) using the 1-5 Linkert scale (1=very important) (Table 1)

Table 1: Importance of social entrepreneurship development in the mountainous area of Pyli (Likert scale: 1-5; 1= strongly important)

Factors	Means	Std. Deviation
Job creation – unemployment reduction	1.42	0.99
Strengthening of the economic activities at local level	1.68	0.86
Income increase	1.69	1.17
Local resources exploitation (human capital, knowledge, natural resources)	1.74	1.02
Environment protection	1.76	1.01
Introduction of new skills and knowledge in the market	1.81	1.18
Creation of innovation entrepreneurial environment	2.05	1.21
Development of cooperation culture	2.16	1.22
Transparency and social accountability of the entrepreneurial activities	2.22	1.37

The sectors more prone to social entrepreneurship at the area of research, are: health services (1.3), livestock (1.42), forestry (1.45), tourism (1.47) as well as the socially vulnerable groups (1.48) using the Likert: 1-5 scale with 1 as very important.

The benefits that respondents expect from social entrepreneurship at Pyli area (Table 2) are according to results and using the 1-5 Linkert scale (1=very important): unemployment reduction (1.46) (unemployment has reached a percentage of 23.4% according to the Hellenic Statistical Service, 2016); the effort to keep people and more specifically the young at the area (1.52), the preservation of the local identity (1.66) and easier access to markets (1.92).

Table 2: Benefits which respondents expect from social entrepreneurship at Pyli area

Rates Benefits	Means	(1) Extremely important	(2) Very important	(3) Quite important	(4) Somewhat important	(4) Unimportant	(1)+(2)
Unemployment reduction	1.46	77.8	9.5	6.3	1.6	4.8	87.3
The effort to keep people and more specifically the young at the area	1.52	66.1	22.6	8.1	0.0	3.2	88.7
Preservation of the local identity	1.66	61.3	16.1	17.7	4.8	0.0	77.4
Easier access to markets	1.92	48.4	27.4	9.7	12.9	1.6	75.8
Protection of cultural and natural environment	1.94	48.4	24.2	16.1	8.1	3.2	72.6
Support of social innovation	2.07	43.3	25.0	15.0	15.0	1.7	68.3
Remove of socio-economic exclusion of the area	2.18	41.0	23.0	21.3	6.6	8.2	64.0
Niche markets creation	2.18	34.4	29.5	24.6	6.6	4.9	63.9

for innovative products							
Competitiveness support	2.25	35.0	30.0	16.7	11.7	6.7	65.0
Reduction of the deficit of social acceptance regarding entrepreneurial activities	2.26	25.8	33.9	29.0	11.0	0.0	59.7
Development of cooperative culture	2.39	32.3	21.0	27.4	14.5	4.8	53.3
Mitigation of social inequalities	2.61	29.0	19.4	29.0	6.5	16.1	48.4
The efficiency of the use of resources	2.96	25.0	12.5	16.7	33.3	12.5	37.5

Since the thirteen factors of Table 2 seem to relate each other more or less, Pearson correlation coefficient (Pcc) was used. Results at a significance level of 0.01 indicate that the most important factors that appear to impact positively each other are the following:

- Unemployment reduction impacts positively the intention especially of young people to stay at the area of (Pcc = 0.647) while it impacts positively the protection of the natural and cultural environment (Pcc = 0.567).
- The creation of niche markets for innovative products that may be developed by social enterprises are strong reasons to keep young people at Pyli area (Pcc = 0.540), support the local identity (Pcc = 0.634), the development of co-operative culture (Pcc = 0.63) and of course enhance the easier access to markets (Pcc = 0.689).
- Social innovation is a crucial precondition for the creation of niche markets for them (Pcc = 0.678), as well as it may constitute a significant reason to develop a culture of collaboration (Pcc = 0.712). Of course it facilitates access to markets for both local products and services (Pcc = 0.787).
- Consequently, the more competitive the products and services of the area (Pcc = 0.630), the easier creation of niche markets for them since they can penetrate markets much easier (Pcc = 0.712). This supports further the reduction of the deficit of social acceptance regarding entrepreneurial activities (Pcc = 0.571).
- The development of collaborative culture appears that affects positively the remove of socio-economic exclusion of the area (Pcc = 0.734), while enhancing the social innovation potential (Pcc = 0.712). This, in turn, facilitates market access (Pcc = 0.787), as well as the much more efficient use of the local resources (Pcc = 0.773).

DISCUSSION - CONCLUSIONS

The concept of the research proposal is based on the systematic development of the Social Economy sector, focusing on differentiations among urban and rural areas of Greece. As a major finding in both areas, the research has highlighted the fact that, Social Economy sector can provide important solutions for creating job opportunities and could constitute an alternative dealing with the severe economic crisis in the country. Furthermore, social economy could promote social cohesion, which is threatened due to the adverse economic environment, by contributing to the preservation of the natural environment and the cultural heritage, especially in rural areas. The successful development of the Social Economy requires an approach that relies primarily on the local social dynamics and supporting policies and mechanisms which will play the central role for the manifestation of this dynamic. Social Economy can play an important role in the development of social innovation in many policy areas, such as addressing the unemployment and the environmental protection, while it can combine profitability through solidarity, new job creation, enhancement of social cohesion, active participation and empowerment of local communities. This is crucial, especially for rural areas, where a significant lack of knowledge spillover effects are observed, leading to an unfavorable environment for innovative business activity.

According to the findings, social entrepreneurship seems to be rather unknown to most Greeks while its nature and benefits are quite ambiguous. However, when explained, it seems to attract interest mainly among women in rural areas and among the better educated in urban ones. People perceive social enterprises as a solution especially for young and unemployed while it appears that all types of proposed activities are thought to provide chances for social enterprises. It is interesting that the quite sensitive sector of health services is considered to be the more important reflecting the inadequate existing system especially for vulnerable groups within the severe crisis framework in rural areas. In urban areas the inclusion of social vulnerable groups and education issues play more important role in developing social enterprises. These differences also show the differentiation of needs among urban and rural population in Greece. . This form of entrepreneurship could deal with the production of goods and services in sectors such as: culture, environment, ecology, education, public utility, local products, preservation of traditional activities and professions.

Another issue highlighted by the present research is that in both urban and rural areas, the successful development of the Social Economy requires an approach that relies primarily on the local social dynamics and the manifestation of this dynamic. Social Economy can play an important role in the development of social innovation in many policy areas, such as addressing the unemployment and the environmental protection, while it can combine profitability through solidarity, new job creation,

enhancement of social cohesion, active participation and empowerment of local communities. Particular emphasis should be given on young unemployed people.

- The combined research on social entrepreneurship, in both urban and rural areas in Greece, offers some insights regarding the policies and initiatives that could be developed in the country, for promoting and supporting social economy. Among others we could distinguish:
- The promotion and strengthen of networks and partnerships among population, enterprises, research organizations etc. The participating regional public and national and international research organizations could facilitate transfer of knowledge and experience as well as capacity building for key mountain entrepreneurship institutions.
- Creation and strengthen of value chains to benefit mountain communities, for example through branding of specific goods and services.
- Strengthen the information and knowledge base on sustainable mountain development and make it accessible to all concerned.
- Encouraging the private sector through appropriate policy and regulatory support so that the market can become an option for financing social sector, providing adequate financing targeted to the specific regions and social groups.
- Investing in rural regions to unlock their potential in a green economy and sustainable development, e.g., for energy, high-quality agricultural products, nature-based and organic products, culture, tourism etc. generating long-term benefits and high welfare gains regionally and nationally; they can be an important source of revenue for the local communities helping towards their social incorporation and treatment of unemployment.
- Strengthen national and international support for R&D activities on relevant issues.

The main contribution of the study seems to be its indication that there is a significant difference or rural and urban entrepreneurship even at local level. Findings actually support the assumption that different entrepreneurship support policies should be prepared for different regions at local, regional, national and European level in order to address successfully the distinctive culture and environment of the communities involved. A multidisciplinary approach is recommended, with emphasis on the target group needs, the adoption of best practices and knowledge that have been developed internationally and finally, the adjustment of related policies to the specificities of the populations and of the related economic activities. Another distinguished field promoted by the research is the need for more extensive and better research in this field in Greece, having as a starting point the systematic collection of data. A better building capacity for social economy organizations could derive by improving related research studies (EU 2013). Similar research through the mapping activities of entrepreneurial, social and other productive dynamics of urban and rural areas, the specialized Innovation, Entrepreneurship and Digital Ecosystems

market research and the activities of networking, measuring social capital and monitoring of Social Entrepreneurship, could be launched, in order to set the directions for similar research studies and to create a framework for the development and promotion of Social Entrepreneurship in several social groups and areas.

IMPLICATIONS - LIMITATIONS

The research contributes to further definition of the factors that influence social entrepreneurship in urban and rural areas of Greece, so that a holistic view regarding entrepreneurial processes will be adopted, by seeking a more realistic approach and consolidation of business processes in these areas. The theoretical frameworks that have been analyzed emphasize the need to take seriously into account the environment in which the entrepreneurial process is implemented, as well as the mechanisms by which the entrepreneurs interact with the wider environment.

The results of the research bear certain limitations. Firstly, the size of the sample and was the lack of sample diversity are significant drawbacks; the field study was limited to only two geographically bounded sample in urban and rural areas, limiting the generalizability of the findings. However, this choice enabled the control for potential confounds due to cross-region differences, increased the internal validity and provided the main contribution of the study highlighting the significance of bottom-up approach of every single area of interest when regarding social entrepreneurship and policy making.

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