

BESSH -16**Social Entrepreneurship in Europe: A Case Study in Greece and Norway.****Lazaridou Dimitra^{a,*}, Trigkas Marios^b, Karagouni Glykeria^c, Papadopoulos Ioannis^d**Lazaridou Dimitra^{1*}, Trigkas Marios², Karagouni Glykeria³, Papadopoulos Ioannis⁴^{1,4}*Aristotle University of Thessaloniki Greece*^{2,3}*Technological Educational Institute of Thessaly, Greece***Abstract**

The overall purpose of this study is to examine in depth the concepts of social economy and social entrepreneurship and more precisely to study how social and cooperative enterprises can support the decisive development of less-favored areas and contribute to the integration of vulnerable groups into the entrepreneurial field. The study regards two cases of social enterprises from two European countries, Greece and Norway. Both enterprises are indicative examples of successful social entrepreneurship that emerged through the fruitful cooperation of similar population groups.

Keywords: Social entrepreneurship, Social economy, Greece, Norway, Case Study**1. Introduction**

Over the last 20 years the concept of social enterprise has been raising an ongoing interest in various regions worldwide. The notion of social enterprise first appeared in Italy in the late 1980s and expanded so rapidly over the countries during the intervening years. It is now making noteworthy breakthroughs on both sides of the Atlantic, especially in EU countries and the United States (Defourmy and Nyssens, 2008). Creating an unbreakable bond between social responsibility and the entrepreneurial initiative, social entrepreneurship composes an innovative solution to the new challenges of the welfare society.

Social entrepreneurship is commonly defined as an entrepreneurial activity with an embedded social purpose (Austin et al., 2006). Though the concept of social entrepreneurship is gaining popularity, it may mean different things to different population groups. A review into the international literature demonstrates the existence of many and various definitions. Zahra et al. (2008) reviewed over 20 definitions of social entrepreneurship and integrated them into the following single definition: "Social entrepreneurship encompasses the activities and processes undertaken to discover, define, and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organizations in an innovative manner."

Social entrepreneurs, in particular, have become the vanguard of this worldwide transformation by launching new organizations serving a multitude of social needs, thereby bettering the quality of life and reinforcing human development around the globe (Elkington and Hartigan, 2008; Martin and Osberg, 2007; Lasprogata and Cotton, 2003; Mair and Noboa, 2003). Its popularity may stem from the fact that it has managed to incorporate not only traditional visions for a more humane and ethical reorientation of economic activity, but also due to its recent promising success (Nasioulas, 2012).

As unemployment and poverty rates are increasing, especially among special population groups, social entrepreneurship proposed so as to intercept them. The role of social economy is to encourage those groups, disabled people, young people, residents of mountainous and less-favored areas, unemployed, vulnerable population groups, which are facing issues of exclusion and unemployment to create social enterprise. Through the establishment of a social enterprise provided support to special population groups in order to become extroverted, to collaborate with others and to attempt in their chosen entrepreneurial field. Although, the driving force and primary goal of every social entrepreneurship is not the profit, this does not exclude the creation of a viable enterprise. Income generation is essential in order to achieve the aim of a social enterprise, while the surplus will be reinvested for social benefits.

An overview of the concepts of social economy and social entrepreneurship for both Greece and Norway are given below. Subsequently, the present paper examines two particular successful cases of social enterprises in Greece and Norway and through a comparison of their similarities and differences it is attempted to distinguish the features which contribute to the development of the social entrepreneurship.

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2. Literature review

2.1. Social economy and social entrepreneurship

Social economy and social entrepreneurship developed in order to address serious social problems on a worldwide level, while supporting the economy growth globally. As social entrepreneurship progress, socially excluded groups are able to access the labor market and economies to further flourish.

Therefore, social economy plays an essential role and in development of the European economy, by combining profitability with solidarity, establishing high-quality jobs, strengthening social, regional cohesion, promoting active citizenship, generating social capital and a type of economy with democratic values, in addition to supporting sustainable development and social, environmental and technological innovation (Triantafyllopoulou, 2012). According to the explanatory reports, the European Union reckons the sector of social economy as a privileged field for the promotion of policies on employment, as well as for the fight against poverty and social exclusion. It is estimated that approximately 10% of the European enterprises are regarded as social enterprises. Further available data indicates that social economy in Europe employs more than 14.5 million people, representing the 6,5% of the active population of the EU-27 and around 7,4% of the active population of the EU-15 (European Commission, 2013).

2.2. Social entrepreneurship in Greece and Norway

In Norway social as well as cooperative enterprises constitute particularly widespread forms of entrepreneurship, with a significant percentage of the population to be employed in them. It is also worth mentioning the fact that the Nordic countries (Sweden, Norway, Denmark) have a dynamic tradition of a co-operative movement, with inter alia, workers or farmer cooperatives (Hulgård and Bisballe, 2004). These agricultural cooperatives in Norway are regarded to be successful, a similar situation also prevails in Greece. This succeed actually is explained, up to a certain point, by the relatively high educational level of the Norwegian farmers (Almas, 2004). Therefore up to the present, the Norwegian corporative system of private–public partnership has created stable economic and political relations within the agricultural sector of Norway (Almas and Brobakk, 2012).

Latest figures indicate how widespread is the participation in cooperative schemes, generally, in Norway. Especially, out of a population of 5.2 million people, 2.4 million are members of co-operatives, there exist nearly 5,600 cooperative enterprises which employ 37,500 employees and their annual turnover to be estimates about 11.5 € billion (Cooperatives Europe, 2015).

In Greece the corresponding data are still low. Regarding to the Greek cooperative enterprises, there are 933 enterprises of this form with 905 employees, while the estimated turnover is about 700 € million annually (Cooperatives Europe, 2015). As far as the social enterprises are concerned, according to the European Commission for the period of November 2013, there were 274 Social Cooperative Enterprises (“Kinoniki Sineteristiki Epihirisi”) registered, most of which were of collective and productive purpose, their actions associated with culture, environment, ecology, education and production of local products. These enterprises had 2,627 members.

There are three institutionalised forms of social enterprises in Greece:

- Women's agro-tourist cooperatives, most of them already established since the 1980s, under Law 1541/1985.
 - Cooperatives of Limited Liability for people with mental health problems, established on the basis of Law 2716/1999.
 - Social Cooperative Enterprises, set up under Law 4019/2011.
- Social enterprises in Greece engaged, mainly, in three fields: a) work integration, b) social care and c) provision of services.

Notably in Greece the emphasis is put on the role of social enterprises and the social economy in local development, where agro-tourist cooperatives are being found in distant areas mostly by women (Defourny and Nyssens, 2008). A similar trend may be observed and in some others European countries, e.g. Ireland.

In Norway, the expansion of social entrepreneurship and social innovation has primarily been driven by individuals, enterprises and investors. Political interest in the field was demonstrated in 2011 with the establishment of a grant for social entrepreneurs who target their initiatives at combating poverty and social exclusion (Nordic Council of Ministers, 2015).

Summarizing, there are some substantial differences between the two studied countries in the sector of social or cooperative entrepreneurship. In Norway social entrepreneurship is a particularly prevalent concept, in contrast to Greece where it is at an early stage. Moreover, Norway has relatively low rates for marginalization and exclusion. On the contrary, in Greece social and occupational exclusion for vulnerable people still exists and unless socioeconomic, educational and labor conditions are modulated, their full accession in the Greek labor market will not be possible (Papaoikonomou et al., 2009).

3. Methods

This study adopts a case study methodology. Case study is a very common qualitative method used widely in business researches. It remains one of the most powerful research methods and according to Voss et al. (2002) the results of a case research can have very high impacts. As it is pinpointed by Yin (2003), a case study provides an opportunity to study a phenomenon within its natural context. There have been numerous case studies of investigation into the business sector, however our literature review revealed not many in the field of social entrepreneurship.

Case studies are divided into three main categories, according to Yin (1989, 2003) and Freebody (2003), pinpointing that the boundaries between the three are not strictly: a) Descriptive cases where we collect data and subsequently formulate cause-effect relationships. This type of case study is used to describe an intervention or phenomenon and the real-life context in which it occurred, b) Exploratory cases where the field research and data collection are preceded the determination of research questions. Exploratory studies are sometimes considered as a prelude to social research and c) Explanatory case studies may be used for doing causal investigations.

The present study is a descriptive case between enterprises from two different countries, Norway and Greece. Its pursuit is to identify those features which contribute to the creation of a successful social entrepreneurship, given the geographical, social and economic similarities and differences. Determinant factor for the selection of the above mentioned countries is a project, called "Aithikos" project, which is implemented in Greece, in an area of Thessaly. Aim of this project is the establishment of a supporting mechanism for the development and promotion of social entrepreneurship in a Greek mountainous area. The successful completion of Aithikos project was based on transfer of expertise from Norway, as well as on adoption of best practices that have been developed there, using case studies.

The choice for the above studied cases was strengthened further due to the geographic resemblance of the two countries and also the strong heterogeneity of economic and social conditions in both countries, e.g. in 2013 Norway had the lowest rate of unemployment in the Europe (3,6%) while the corresponding rate in Greece reached the 28% (59% among young people). Moreover, Norway is a country with the highest social mobility globally (Blenden et al., 2005), in Greece, the current situation is different. All mentioned conditions, indeed, have an influence on the development of social entrepreneurship.

The present study regards two cases (one of each country). Voss et al. (2002) suggest that the appropriate number of enterprises for a case study should be small, the fewer the number of cases, the greater the opportunity for depth of observation. Moreover, our preliminary search indicated that the two selected cases are considered to be quite representative and among the most successful enterprises, which function within a context of cooperative entrepreneurship, in Greece and in Norway.

The data used for conducting a case study can be documents and records, interviews, direct and participant observations, or even physical artifacts which could be any physical evidence that might be gathered during a site visit (Yin, 1994; Tellis, 1997). The data used for the present study were collected from archival sources. Archival data included various written material, published studies, reports, while a great deal of information was deduced from the websites of the enterprises.

4 Case studies description

The Greek studied enterprise, called "Yi Thessalis", which in English actually means "Thessalian Earth" is a Social Cooperative Enterprise, founded in 2013. It was established by 46 beneficiaries of the project of Local Social Inclusion Actions for vulnerable groups, called "Be a Producer". It is located in Larissa, Thessaly region (central eastern part of Greece). The main feature of Thessaly region is the relatively high percentage of its population that is partly or full-time employed in the agriculture sector. Specifically, 38.7% of the total workforce in the region is employed in the primary sector of Greek economy (agriculture), whereas the corresponding percentage for the whole of country is up to 19.8% (Bakopoulou et al., 2010). The main purpose of this social enterprise is the production of primary sector products and the direct disposal to the final consumer without intervention of intermediaries. The described enterprise promotes its products directly to consumers in order to provide more competitive products and at a higher quality. Some of the products that are mainly produced and marketed are fruits, fresh vegetables, wine, herbs, pasta, traditional sweets, jams as well as cosmetics. Most of the above mentioned products are manufactured based on traditional recipes. Its successful entrepreneurial presence creates the preconditions for further entrepreneurial activity, more specific it orientated to the catering services sector. The products' disposal takes place in particular points of sale and, additionally, through the e-shop of the enterprise.

On the other hand, the case regards a well-known Norwegian dairy enterprise, called Røros Dairy. Røros Dairy is located in Røros, a town in a mountain region of the eastern parts of Southern Norway. Norway is a mountainous and thinly populated country, while most of the countryside is sparsely populated, and animal agriculture is a vital economic sector for the country. Only three per cent of the total area is under agricultural cultivation, mostly around the coast or on the inland valley plains (Almas and Brobakk, 2012). The economy of this region based on agriculture and forestry, as well as on tourism. The dairy production contributes to the local economy to a certain extent. In particular for the tourism business of this region, it should be pointed that the dairy has a supportive role in the promotion of the local food.

Røros Dairy established in 2001 attempting the production of various products from organic milk and it has today 20 employees. Røros is the only organic dairy in Norway. Since set up it has experienced a steady growth and it records, in 2013, a turnover of 5,5 mill EUR (Kvam and Bjørkhaug, 2015). The presence of Røros Dairy covers a substantial gap in the organic food production as Norway is on the bottom of the list compared to the other Nordic countries in this sector. The dairy takes care are about local customer's by hiring transport for distribution. Customers, who live adjacent to dairy, have the chance to collect products directly from the dairy. They have contact by mail or phone many times a week about deliveries (Kvam and Bjørkhaug, 2015).

From its establishment until today the dairy is producing traditional products, such as thick sour milk, products quite similar to cottage cheese, porridge, organic light skimmed milk, as well as other old and new local dairy specialties that it is free to produce (Amilien et al., 2005). Products are distributed all over the country via multiple channels.

4. Discussion

Both studied enterprises contribute to the creation of job opportunities and the promotion of social cohesion, in regions with high unemployment rates. Røros Dairy has been characterized as an active group of energetic and productive farmers that has been forced to reduce their idealism and harmonize with economic realities (Christie, 2010). In a similar way, the Greek “Yi Thessalis”, became a best practice within the Greek; just the second year of operation, the social company was awarded the “Green Social Enterprise 2014” prize in a competition under the auspices of the Greek Ministry of Development and Competitiveness.

Røros Dairy and Yi Thessalis operate in countries where the developed economic activity in the mountainous and/or less-favored areas contributes to the support of people living there, as well as to configuration of gross domestic product (GDP). Actually, in Røros and Thessaly areas local economy and employment are mainly based on the agriculture production. Therefore, these entrepreneurial cases support efforts and policies for further development of the primary sector and reduction of unemployment.

An additional worth noting feature that characterizes both of them is the persistence in environmental care and the adoption of environmentally friendly practices during their production process. “Yi Thessalis” implements an integrated management system during the production process. In this way they contribute to the environmental protection and the ensuring of local natural resources.

Focusing on their business strategy, both social enterprises try to differentiate their products by emphasizing on their quality. Noted, traditional agricultural goods produced in mountainous and less-favored areas, through an environmentally friendly way, are of high quality because of the smaller amount of production and the stricter control that applied at all stages of production (Ilbery and Maye, 2005). Attempting to differentiate, both enterprises resort to traditional and handicraft production methods, in order to ensure the superiority of their products. So, their products are based on regional recipes and on the local food culture.

Moreover, the two studied cases support the production of certified products. All products of Røros Dairy are labeled, both with the organic label and their own label. Following the same line of reasoning “Yi Thessalis” sets among its immediate aims the creation of a common label for its product so as to make them easily recognizable (Argiriou, 2014).

The dairy enterprise regards that their products are not special for just a few costumers any longer, so it follows a more extroverted strategy trying to increase its participants-farmers and its produced quantity. Certainly an ally is the positive economic environment and the increased purchasing interest.

Both enterprises claim that the direct contact with local customers is of significant importance. They sell their products directly to consumers, exclusive or partially. Actually, Røros Dairy has taken a step forward by introducing direct communication with consumers via social media. They give a lot of information to their customers through Facebook and Twitter about new products, new profile, organic agriculture etc. This idea has been considered to be quite provoking and was proposed as a best practice to “Yi Thessalis”.

Worsening economic conditions for farming in Norway, increasing competence and the financial crises in 2008 affected the dairy and forced some farmers to leave the agriculture sector. However, the rapid growth of cooperative farming helped the dairy sector and gave it momentum. In some Norwegian rural communities, joint farm members are the only surviving dairy farmers (Straete and Almas, 2007). This could be a good practice for Greece where the cooperative schemes are not very popular and the prolonged economic recession impedes the entrepreneurship development. Additionally, the dairy firm has employed a new marketing manager and a new profile has been developed in order to keep up with the market requirements. Similarly, the Greek social enterprise needs to be adaptable to new challenges. Clearly the fact that Røros is the only organic dairy in Norway is considered as a great advantage. On the contrary the Greek enterprise confronts fierce competition from similar businesses. But the fact that the Greek market is comparatively larger may give it more growth opportunities.

It should be mentioned that the Norwegian social enterprise is a well-established one; it has been activated for fifteen years and now it can be considered to be in its mature phase. On the other hand, the Greek one is comparatively new since it was created three years ago. It is still a start-up and had not survived the widely accepted five-year survival criterion yet. However, both cases outperform, offering to the community in several ways and presenting a very positive development during the last years.

Both cases confirm the relevant theory on the role and benefits of social entrepreneurship; in both cases it promotes the social benefit and the local development, while all stakeholders have their financial motives and they try to maintain the growth of healthy and profitable enterprises.

Both cases seem to offer escape solutions from the current cul-de-sac. Especially in cases of less-favorable areas, the cooperative schemes encourage undertaking, enhance entrepreneurial spirit while they help participants reduce the risk during investment periods (as they share it) and become more extroverted even if the geographical conditions are not favorable.

5 Limitations

This paper explores two social enterprises from different countries. The aim of this study was the further investigation of the social entrepreneurship concept through existent enterprise examples. Present study can advance our understanding of successful operation of a social enterprise, regardless of prevailing economic environment. Although “Yi Thessalis” was established under adverse economic conditions for its country, it remains growing and sustainable to the same extent as the Norwegian case that operates in a country with strong economy, where the cooperative entrepreneurship is particularly

favoured. So, one question arises is to what extent the adverse economic conditions have an influence on a social enterprises and which are the features that help it to survive during economic crisis.

The main limitation of the study which does not allow us to put forward statements is the absence of primary data from the two enterprises. As it is mentioned above, the present paper is based on written material and information deducted from the enterprises' websites which could not be analyzed to a greater extent so as to arise more valid inferences. Lack of findings from an ongoing investigation into the enterprises weakens the opportunity of our study to draw direct conclusions.

A second limitation regards the number of studied cases. The fact that we study only one enterprise from each country limits the range of collected information related to their operating framework and inhibits the possibility to export more generalised results. Furthermore, the different financial and institutional framework where the two social enterprises grew raises several questions regarding the potential of social entrepreneurship creation, as well as the factors that favor or impede its development.

So, future field and case study research is highly encouraged in order to highlight the driving forces, the strengths and weaknesses of a successful cooperative enterprise. For example, semi structured interviews can be used as tools for eliciting information about the business, the roles and duties of the owners, the personal characteristics of the participants as well as the respondents' views and experiences in the sector of social entrepreneurship.

6 Conclusions

Social entrepreneurship has been raising an ongoing interest for the societies as well as for the researchers. That is the reason why it has commanded increased research attention in various regions worldwide. Through this article we try to highlight the features of two successful entrepreneurship examples that are activated in countries with completely different prevailing economic conditions, as well as perceptions for the concept of social entrepreneurship.

In conclusion, we regard that there are some research gaps and a large field of investigation around the concept of social entrepreneurship which could be studied in future. Searching further and abstracting additional information about social entrepreneurship will contribute to the more effective implementation of it, so as vulnerable groups, local economies and the global economy to be helped to a certain extent.

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