

SOCIAL ENTREPRENEURSHIP AND VULNERABLE GROUPS

Ramona PAVEL*

Abstract: This article is a brief incursion in the vast and controversial field of the social entrepreneurship as form of social economy, analysing its potential to improve the inclusion of the vulnerable groups on the labour market. Far from claiming to explain a complex phenomenon such as the social entrepreneurship, the text below presents the social entrepreneurship and its particularities, the forms of social exclusion from the labour market and their specificity from the angle of the vulnerable groups. The end of the article is dedicated to the analysis of the peculiarities of the vulnerable groups' participation on the labour market and of the role which the social entrepreneurship has in facilitating their integration on the labour market*.

Keywords: social entrepreneurship, social economy, vulnerable groups, labour market, social exclusion

1. Introduction

Any free market economy is confronted with the problem of a higher or lower unemployment rate. The full employment of the workforce within a market economy depends, most of all, of the proper functioning of the workforce market, most of the jobs coming from the private companies. While during the communist period the goal of the social policies was to prevent any kind of unemployment, more recently the workforce market has been hit by economic shocks which can lead to high unemployment rates, in excess of what is economically sufficient. This calls for new, innovative solutions initiated either by the state, or by the free market, or by a combination of the two suppliers of welfare, where premises for such endeavour exist. Because the rational management applied strictly in economic terms often proved unproductive in terms of meeting the social needs and because the state has

* PhD Student, University of Bucharest, E-mail: pavelramona@gmail.com

* Abbreviations: CSR - Corporate Social Responsibility; EU - European Union; IGA - Income Generating Activities; ANOFM - National Agency for Employment; EC/ CE - European Commission; MMFPS - Ministry of Labor, Social Protection and Family; AJ OFM - County Agency of Employment; GDP - Gross Domestic Production; ESF - European Social Fund.

shown its limitations while fighting against social exclusion (understood generically as a combination of the problems pertaining to poverty, unemployment and social marginalisation), means have to be identified, which to improve the quality of life.

2. *The social entrepreneurship*

The social entrepreneurship may be one of them. While the term of welfare state which appeared at the end of the 20th century as a consequence of industrialization, presently, in full era of globalization, the social policies rediscover the potential of the local communities and the role of the innovative initiatives in the supply of welfare. Therefore, “*we need an entrepreneurial society in which innovation and entrepreneurship are something normal, safe and continuous*” (Ducker, 2007, p. 245)

However, what is the social entrepreneurship? The term of *entrepreneur* originated in the French economy of the 17th and 18th centuries. In French, the term of *entrepreneur* designates a person who gets engaged in a significant project/activity. The French economist who assigned this meaning to the concept was Jean Baptiste Say, who was saying that the “*entrepreneur transforms economic resources from low-yielding fields into different domains or into highly-yielding areas*” (Dees, 2001, p. 1).

In the 20th century, the economist associated to this concept was Joseph Schumpeter, who described the entrepreneurs as the “*innovators who lead the creative-destructive process of capitalism*” (aped Dees, 2001, p. 1). The role of the entrepreneurs is to reform or revolutionise the patterns of production. The means used to this purpose are varied: from the exploitation of an invention or of a new technical possibility, to the reorganisation of a whole industry, provision of new goods and services or provision of known goods and services, however, produced or distributed in a new manner. For Schumpeter, the entrepreneurs are the agents of change in economy.

The 1990 decade brought forwards two perspectives on the social entrepreneurship: the school of social entrepreneurship represented by Boschee and McClurg and the school of social innovation, whose main supporters are J.G. Dees and B.B. Anderson.

Table 1
Theoretical perspectives in approaching the social entrepreneurship

School of social entrepreneurship (representatives: Jerr Boschee and Jim McClurg)	School of social innovation (supporters: J.G. Dees and Beth B. Anderson)
Social entrepreneur is any person, from any field of activity, who uses market strategies to accomplish social goals.	<i>The social entrepreneurs are defined as agents of change in the social sector.</i>

School of social entrepreneurship (representatives: Jerr Boschee and Jim McClurg)	School of social innovation (supporters: J.G. Dees and Beth B. Anderson)
The social entrepreneurs are directly related to the social mission, either when they provide products or services with direct impact on the social field, or when promote actions of social inclusion	<i>The social entrepreneurs are innovative; they are oriented towards achieving new modalities to solve the social problems and to meet the social needs, producing a long-term impact and systemic changes.</i>
<i>Focusing on obtaining incomes for social missions. The trend to put on the same path the creation of economic and social value.</i>	<i>Focusing on the process of social change and on the innovating manners to solve the social problems.</i>

Source: Centre for the Advancement of Social Entrepreneurship, 2011.

The school of social entrepreneurship is strongly focused on the production of incomes for a social mission by applying market solutions to the social problems. The social entrepreneur is directly related to the social mission, either when he/she employs people with disabilities or people from other vulnerable groups, or when he/she provides services impacting directly on a social field. From the perspective of the school of social innovation, the social entrepreneurs are engaged in a continuous process of innovation, adaptation and learning, acting in support of an increased responsibility towards the direct and indirect beneficiaries of the created results,

Because there is no widely agreed and accepted definition of the term of *social entrepreneurship*, we took into consideration the elements which the literature presented most often, as being specific to the social entrepreneurship. We may say that the social entrepreneurship is an innovative process of consistent identification and pursuit of the opportunities of any kind that may lead to the production of social value, being strongly oriented towards the efficient utilization of the available resources and towards the accomplished results.

Despite the efforts to generalise a definition based on innovation, quite many practitioners associate the social entrepreneurship to income-generating non-profit activities. Income generation is just a method, and it is not always the best; it may sometimes be even to the detriment of the entrepreneurial endeavour because it takes talent and energy from the central activities. The forms of social entrepreneurship which deserve being promoted are those establishing new, better methods to improve the surrounding world. Citing J.B. Say, the social entrepreneurs „transform the resources in highly yielding areas and then they call out” (apud Dees, 2001, p. 2). One of the propelling forces of the social entrepreneurship is given by the promotion and dissemination of the entrepreneurial patterns and results with the purpose to acquire visibility. This is done first with the purpose to attract collaborators

and beneficiaries and the support of the community and second with the purpose to draw financiers and sponsors which to contribute to the development of this sector.

Given the variety of approaches in the literature, synthetically, the main stages in the crystallization of the concept are: (1) an early stage of development of the social entrepreneurship was the adoption of commercial practices by the non-profit sector, with the purpose to increase its financial sustainability and autonomy; (2) the second stage starts from the individual, the social entrepreneur, as leader merging the thinking from the business environment with the non-profit thinking, in order to develop strategies maximizing the social impact by applying innovative ideas and (3) the development of social entrepreneurship activities starting from the actions of corporatist social responsibility of the large economic agents which thus capitalise on new opportunities of expanding their area of activity, while considering the creation of social value.

Other concepts from the social sector, related and often mistaken for the social entrepreneurship are: social economy, social enterprise or corporatist social responsibility. The social economy (French term) appeared, theoretically and practically in the 19th century Europe, when the social economy developed in response to the capitalist *laissez-faire*. It includes organisations such as the cooperative societies, the social enterprises, the associations and foundations playing an active role in the promotion and consolidation of social inclusion. The social economy organisations act in areas such as: social protection, social services, health, banks, insurances, agricultural production, education and training, culture, sports and leisure activities. The research report regarding the social economy in Romania from the compared European perspective, uses the definition of the Wallonian Council of Social Economy from Belgium, which presents the social economy as consisting of “*the economic activities of the societies, mostly cooperatives, mutual associations and other associations, in which the ethics is in agreement with the following principles: the end purpose is to serve the members or the collective society, rather than to make profit; autonomous administration; democratic decision-making process; within the process of income distribution, priority is given to the people and work, rather than to the capital*” (MMFPS, 2010, p. 21).

The social enterprise is a non-for-profit or for-profit entity, which supplies social services of general interest. In Romania, the social enterprise is not regulated as distinct legal entity. There are states (such as Italy) where the term of social enterprise is regulated legally and the types of activities which the social enterprises can run are regulated by the law. The above-mentioned report describes the social enterprises as forms of organisation specific to the social economy, one of the peculiarities of these entities being the innovative approach of the actions taken to alleviate poverty and solve the social and economic problems (MMFPS, 2010, pp. 28, 31).

The corporate social responsibility (CSR) is a form of corporatist self-regulation integrated to a specific business pattern, which presumes the development of strategy of involvement in community and of a type of partnership from which the company gains (a type of marketing). CSR policy answers the expectations which the society has from the business and the ethic commitments of the company towards the society. It is important to make distinction between the social entrepreneurship (as phenomenon whose actions are characterised by innovation and social mission) and the activities of social entrepreneurship (measures, activities with stated social, institutionalised purpose).

The clarification of the above-mentioned terms simplifies the understanding of the social sector as *“intermediary field of activity between the business sector, the public sector and the personal sector which includes the family and friends”* (Bevir, apud MMFPS, 2010, p. 16). The appearance and development of this new sector took place by the reorientation of some business leaders, managers of initiators of public policies towards areas such as corporate social responsibility, sustainable development, business ethics and social impact management. According to Dees and Anderson, the social entrepreneurs are agents of change in the social sector, by assuming the mission to create and support social value, by capitalising in an innovative on the existing resources and opportunities and by promoting the undertaken activities and the outcomes of these activities.

Although the concept of social entrepreneurship is rather new, the phenomenon as such is not something new. In the common language, to be entrepreneur means to be the initiator of a new business. However, this is a simplistic approach of a concept with a rich history and much deeper significance. The social entrepreneurship penetrated into the public conscience in Romania as a form of social economy, both concepts being promoted through the EU policies. Social entrepreneurship activities existed even before, by the development of social services supported with international financial backup and thereafter self-supported by the development of income-generating activities (IGA) or as cooperative societies (MMFPS, 2010, p. 45).

In Romania, the significance of social entrepreneurship is developed by practitioners and very often lack the academic rigor to present the good practices (Popoviciu, I.; Popoviciu, S., 2011, p. 43). Thus, these experiences prove that the social economy can contribute effectively to social cohesion and is one of the main players fighting against social exclusion (Cace, S.; Nicolaescu, V.; Scoican, A.N., 2010, pp. 192-193).

While the concept was initially used almost exclusively in relation with the income-generating activities of the NGOs presently, an increasing number of organisations and entities from all three sectors (the private sector, the public sector and the social sector) focus on the identification of innovating methods of response to the social needs or problems.

3. Forms of exclusion from the labour market

The debate on the classification and exact definition of the social exclusion was initiated by the researchers and specialists concerned by the problem of poverty in the 1990 decade; in late 1990 decade the objectives of the social policies changed from the elimination of poverty to the alleviation of social exclusion. The understanding of each of the two concepts is rather controversial, debate which originates in the different sources and approaches of the French and Anglo-American scientific tradition.

The French school, built around the theory of Durkheim (1897) regarding the social cohesion and solidarity, the importance of the collective values and norms and the risk of social alienation (anomia), is closer to the concept of social exclusion. The Anglo-American literature (by its basic representatives illustrated by Townsend, 1979) developed several theories on the social inequalities and on the relative deprivation, theories which target the unequal access to incomes, goods, public services and citizen rights, as the starting point in their research of the poverty and social exclusion (Jehoel-Gijsbers și Vrooman, 2007, p. 12-14). Irrespective of the approach, the authors consider that the following distinctions can be made between the two concepts:

- *Static conditioning versus dynamic process*: poverty is related to static conditions (level of wages of the consumption pattern at a specific moment), while social exclusion approaches the process by which the individuals end being excluded;
- *Absolute concept versus relative concept*: poverty is conceived as an absolute lack (ex., persons with income below the minimal set threshold), while for the social exclusion there is no clearly set landmark; it is determined by comparing the person with the other individuals within the same historical-social context;
- *One-dimensional versus multidimensional*: poverty is given by a single dimension – the lack of financial or material resources –, while social exclusion involves deficiencies of several aspects pertaining to the citizen rights (income from labour, education, health, legal assistance, access to public goods etc.);
- *Passive versus active policies of response*: poverty alleviation is done by granting financial/material benefits and compensations, while the social exclusion refers to relational and socio-cultural aspects such as solidarity, participation, integration in society;
- *Endogenous versus exogenous causality*: poverty is usually reported at the individual or household level, the main causes referring to the own characteristics of the disadvantaged people (exogenous factors). Social exclusion, on the other hand, derives from the lack of access to community resources: the community in

which the individual lives and the social network, the social security institutions and the social infrastructure. Thus, the excluded people may lack any control or may have a limited control on these exogenous factors.

Social exclusion appears at different levels through some of the most varied mechanisms: irrespective whether there are excluded individuals, excluded families or categories of people, the causes belong most times both to the micro-social and to the macro-social level and the consequences bounce to both levels. The main operational mechanisms of the social exclusion and its levels of organisation have been developed and explained by Robert Whitley (Whitley, 2005, p. 90-93) as follows:

- *Spatial/temporal exclusion*: this is a form of social exclusion applied by institutions and individuals with the purpose to control different social groups and subgroups considered to a threat to the society (such as the mentally ill people, the people with disabilities). Among the consequences of this form of exclusion is the inhibition of the social interaction, the decrease of visibility and increase of anonymity of these social groups or of the individual cases.
- *Network (chain) exclusion*: this is a form of exclusion of the individuals and groups resulting from their differentiated access to the social networks and to social support; some social groups are systematically excluded from the networks of social support because of some economic, social or demographic features which they have. The affiliation to social networks is important for the emotional support and for the friendship relations, but it is equally essential for the development and orientation of the individuals towards socio-economic directions such as employment opportunities, financial capital and other resources that might help the actual functioning of the individuals/groups within the society. A factor which stresses the network exclusion is the aggressive media exposure and the urban myths regarding the different groups (such as the Roma, the sexual minorities etc.). These phenomena induce suspicion and fear among the majority population, with repercussions in all aspects of the social life, discrimination at employment, incapacity to access certain services, even when they exist.
- *Socio-economic exclusion*: it refers to the different access of the individuals/groups to the socio-economic resources and it may even prevent some people from meeting their basic needs (food, clothing, shelter), which means that the specific person ends up in extreme poverty. This limit situation is not just a situation of incapacity of the individual to make a decent living; it is the expression of the state failure to provide welfare for its citizens using various safety nets. Thus, the loss of the job would not be a risk of poverty if the system of social security would allow the maintenance of a minimal socio-economic status for that individual.
- *Structural/institutional exclusion*: it appears when the public/private institutions exclude systematically individuals or social groups or when there are no adequate social policies in response to a specific need. They may be educational institutions,

the health care system, community centres etc. The main source of this form of exclusion is the territorial/community affiliation of the individual/group, which prevents it from meeting a specific need because there are no resources in the community. Less obvious, but as serious, is the exclusion expressed as restricted access to some services of goods of public interest access to poor quality basic health care or the access to low standards of education. Education, for instance, is very important for the individual development and yet, structural barriers appear which create and perpetuate the exclusion of some social categories such as the Roma ethnics or the people with disabilities.

The labour market is *by definition an imperfect market characterised by various structural dysfunctions*, excluding specific segments of the population rather than other. The best known form of exclusion from the labour market is unemployment, which was and still is a problem in the industrialised states, a characteristic of the economic systems from the modern societies. *Unemployment* is the term used in the case of job deficit for persons able and qualified properly for a specific job. The phenomenon is characterised by the fact that part of the population is seeking for a job. The Romanian legislation (Law 76/2002 regarding the system of unemployment insurances and employment stimulation, updated, art. 5, par. IV) aligned to the European standards, defines the *unemployed* as the person meeting all the conditions mentioned below:

- Is looking for a job from the minimum age of 16, to the moment he/she meets all the conditions for retirement;
- His/her state of health and the physical/psychic abilities make him/her able to work;
- Has no job, no income or earns, from activities authorised according to the law, incomes which are lower than the unemployment benefit that he/she would be entitled to according to the law;
- Is available to start working immediately, would a job become available;
- Is registered at ANOFM (National Agency for Labor) or at other supplier of employment services which operates under the conditions stipulated by the law.

Other two forms of exclusion from the labour market, phenomena which gain in intensity in Romania and which major medium- and long-term social effects, are the informal work and the work not paid as shown in the documents. The *informal work* is an activity conducted in the underground economy, being outside any legal norm. The people working in the informal sector are exposed to major risks, being excluded from all forms of contributory social protection. These persons are excluded both from the health insurances, and from the pension insurances, being one of the most vulnerable categories on the labour market. In the lack of a job on the formal market, the activities in the informal economy, in Romania or abroad, even on the short-term, are a source of income or an additional income for a large share of the active population, even if this kind of work leaves uncovered several risks, such as the risk of work incapacity, and

restrict the access to several public services. The informal/underground labour market is defined as a labour market which conducts productive and legal activities, which are deliberately hidden to the control by the public authorities. This is done with the purpose to avoid paying the income tax, different other taxes, the contributions to social insurances, to avoid observing the legislation regarding the minimal wage, the highest number of working hours, the working conditions and, last but not least, to avoid the administrative procedures. This phenomenon has adverse effects both on the system of social protection, and on the individual, determining the decrease of the number of people employed on the formal labour market, and the exclusion from specific social services and facilities of the people involved in this system. The informal incomes help the households to escape from the state of poverty, but their insecurity and the lack of stability of the so-called job, can bring them back anytime to the same state. The informal incomes deepen the inequality of incomes.

The *work not paid as shown in the documents* is a rather recent practice which involves the recording in the work contract, of a wage lower than the real wage. Thus, both the employer and the employee, evade paying the compulsory duties to the social insurance funds, in the exchange if a higher wage. However, this temporary advantage will have adverse long-term consequences, because the amount of the subsequent benefits is proportional to the contribution to the fund of social insurance, which is much lower this way. The main groups with a higher risk to be affected by some form of social exclusion from the labour market are the young people, the women, the people with disabilities, the old people, the Roma, the rural population, etc.

Employment represents a priority goal and efforts are made in order to adapt the Romanian system to the European Employment Strategy, elaborated in Lisbon in 2000, which co-ordinates the employment policies at the community level (Pop, M.A, 2010, pp. 116)

4. Inclusion of the vulnerable groups on the labour market ██████████

Once that we presented the types of social exclusion and the forms of exclusion from the labour market, we propose to clarify the concept of vulnerability from the perspective of integration on the labour market and to analyse subsequently the occupational structure of the vulnerable groups from Romania.

Groups vulnerable in terms of access to the labour market

The concept of „*vulnerable groups*” derives from the universal principles of the human rights and refers to the segments of population often confronted with discriminating attitudes and behaviours and/or who need special attention to avoid being exploited. The equality in the enforcement and observance of the human rights is still an ideal, which is why the supporters and promoters of human rights introduced the term of vulnerable groups and drew attention to the necessity to pay

special attention to these social categories more exposed to the risk of discrimination or to other breaches of human rights than the others (Reichert, 2006, p. 78).

In terms of social regulations, the EU doesn't give an official definition of the vulnerable groups. However, working definitions can be identified: "*groups confronted with a higher risk of poverty and social exclusion than the general population*" (CE). The ethnic minorities, the immigrants, the people with disabilities, the homeless, the old people are often confronted by difficulties that may lead to different forms of social exclusion, such as a low level of education, unemployment, etc. In relation with the participation on the labour market, the concept of vulnerable group denotes the risk of marginalisation and of social exclusion. The vulnerable groups consist of long-term unemployed people, inactive people who are not registered as unemployed and workers with high risk of unemployment. The dominant features are the heterogeneity of the group and the fact that the members of the group may be sharing just the involuntary character of their current status (Atkinson, 2000, p. 10).

The vulnerability of integration on the labour market consists in the total or partial incapacity of particular groups to represent their interest (to identify and get a job) or to have their rights observed (equal pay for equal work, the right to development in career).

Participation of the vulnerable groups on the labour market

The vulnerability in the integration on the labour market can be associated to regional or economic factors, to the specificity of the local labour market or to the specific management of the local economic agents and, of course, with the individual or social features. Therefore, the vulnerable groups on the labour market are classified according to social or individual variables such as gender, ethnic affiliation, disability, age, residential area. The main groups in Romania which are in one of the situations mentioned above are the young people, the women, the Roma people, the people with disabilities, the immigrants, the old people and the rural people (MMFPS, 2010, pp. 55-57).

The exclusion of the young people from the labour market has diverse causes. Both the graduates of higher education and the people with lower levels of education have difficulties in getting a job. Other causes are the lack of experience required by most employers or inadequacy of the educational offer to labour market requirements. In the rural environment, the level of economic development and the job offer are very low, which caused the massive emigration of the workforce.

Because age is one of the most important variables for employment, being maybe the most important cause of the discrimination at employment¹, the people over 50

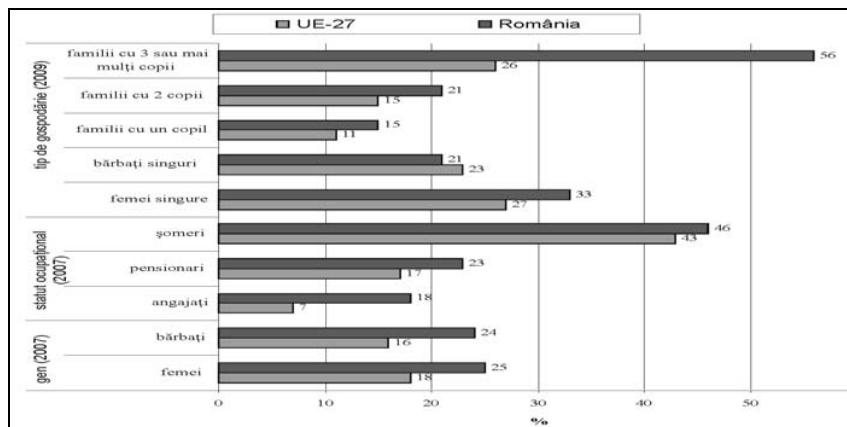
¹ 54% perceived differences of treatment depending on the age, 74% perceived discrimination depending on the age at employment (study by CURS 2006, apud Sofică, 2011, p. 6).

seeking a job are a vulnerable group. When the individual data of gender and age with risk of social exclusion are associated to a low level of education or skills, the odds for integration on the labour market decrease dramatically. An easy solution for most people is early retirement. Although criticized, this measure is among the few viable alternatives.

Concerning the employment according to gender, the international statistics (ILO 2005, Euro found 2010, UNDP 2010) show that the women don't have the same opportunities with the men, despite the progresses. In Romania too, the women and men continue to live in inequality: women are paid less for the same work; the chances of promotion are rather favourable to the men; the access to leadership/management positions is unequally distributed among men and women; the women are employed part time or on determined periods of time. All this contributes to a higher risk of social exclusion from the labour market and the high number of feminine population in overall poor population (feminization of poverty¹) is additional evidence. The poverty risk is the highest in the feminine population, be it occupied or unoccupied women. (Graphic 1).

Graphic 1

Proportion of the population at risk of poverty depending on gender, occupational status and type of household, %

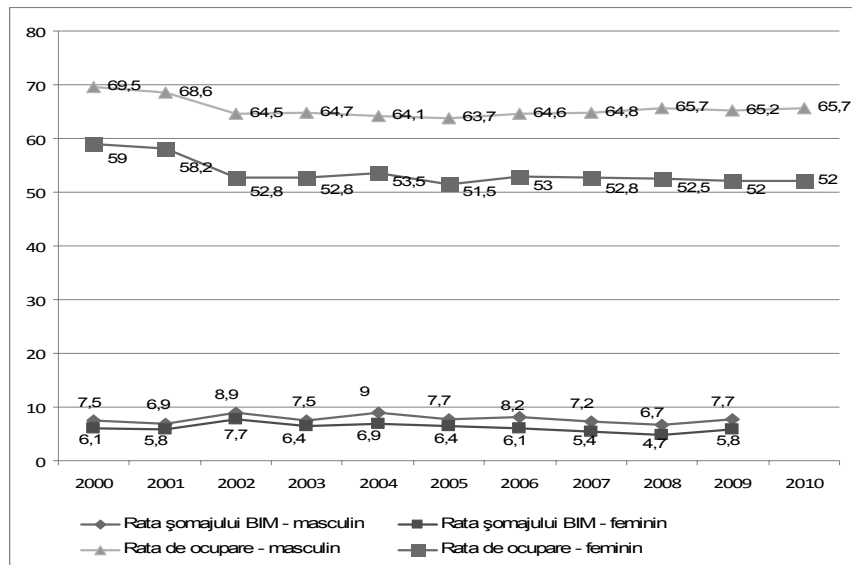


Source: EUROSTAT 2011 for 2009 and EUROSTAT (2010), *Combating poverty and social exclusion: a statistical portrait of the European Union, for 2007*.

¹ *Poverty feminization* was popularized in the 1990 decade in UN documents (United Nations General Assembly Resolution 104, session 50) and acknowledged by the study of Diana Pearce on the gender patterns in the evolution of the poverty rates in the USA between the early 1950 and the middle 1970 (*Wikipedia Free Encyclopaedia*).

The high values of the poverty risk draw attention (in EU-27 and in Romania) for the unemployed, for the single women and for the families with three or more children. Also alarming is the significant discrepancy between the proportions of people at risk of poverty in Romania compared to EU-27 for the employed people (11% difference) and for the families with three or more children (30% difference). Although women are less affected by unemployment as form of exclusion from the labour market, the unemployment rate being consistently higher in men than in women (Chart 2), the situation is reversed regarding the employment, so that the proportion of occupied women is lower.

Graphic 2
Employment and unemployment rates depending on gender in Romania

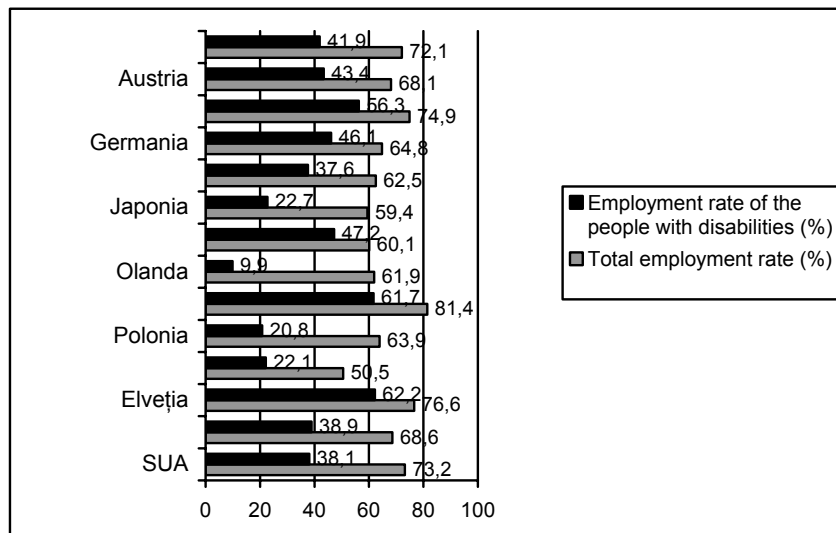


Source: EUROSTAT, 2011, *Employment rates by sex, age groups and nationality (%)*; the source for unemployment data is INSSE, 2011.

Vulnerable group with a significant number of persons, the people with disabilities remain a source insufficiently valued on the labour market, despite the fact that they can be drawn into activities of social entrepreneurship. Everywhere around the globe, the people with disabilities are entrepreneurs, self-employed people, agricultural workers, doctors, professors, drivers, sales persons, artists or IT technicians (WHO 2011). There are many professions that they can practice just by adapting the

working environment to their special needs. However, both in the developed countries and in the developing states, the employment rate of the people with disabilities is very low. The employment rate varies very much depending on the type of disability, the people with mental disabilities having the hardest time to get a job.

Graphic 3
Total employment rate related to the employment rate of the people with disabilities, in 2003, %



Source: World Health Organisation, *World Report on Disability*, 2011, p. 238.

Note: The employment rates for the USA are for 2005.

In Romania, according to MMFPS statistics, on March 31, 2011, there are 629,488 adult people with disabilities and 28,195 of them are employed. This means that the employment rate of the people with disabilities is 4.47%, the discrepancy compared to other European states such as Poland (20.8% in 2003), or Spain (22.1% in 2003) being huge (Graphic 3).

The high employment potential in activities of social entrepreneurship of the people from the vulnerable groups results from the very social mission of this enterprise. According to Dees and Anderson, the social entrepreneurs merely use economic practices to a social purpose, either through the *procurement or production policy* (purchase of goods/services from disadvantaged suppliers, production or use in

production of recyclable products or obtained by recycling), or through the *employment policy* (employment of disadvantaged people), or through their clients/beneficiaries (providing services or goods to the vulnerable categories, shelters for the homeless, medical care for the people on low incomes, etc.) (Dees and Anderson, 2003, p. 4-5).

Another segment of population, whose vulnerability on the labour market is notorious, consists of the Roma people. Starting as of 1989, the Roma population from Romania has been affected by the different shocks from the labour market: unemployment, informal work or work not paid as recorded in the documents. The effects of these phenomena were amplified by discrimination and marginalization, which shaped a vicious circle from which they can hardly escape. "*The specificity of social exclusion at the Roma population from Romania is just the existence of sources of exclusion which don't exist for the rest of the Romanian population (or they are extremely rare), such as the lack of identification papers, which triggers a chain of subsequent forms of exclusion*" (Duminică and Preda, 2003, p. 28).

The social exclusion of the Roma population has been associated to a wide range of factors: large scale social inequality and discrimination, poverty lack of identification papers, low access to services, precarious health state and lack of education, all which decreased their access on the labour market. "*The situation of Roma employment is difficult to apprehend, first because of their low level of involvement in the formal economy and of the high percentage of people involved in the informal economy. The most accessible economic areas for the Roma people are agriculture, constructions and industry*" (Cace et al., 2010, p. 120). „*At the sample level¹, the proportion of the occupied Roma people with stable jobs (employed, or occupied in traditional crafts) reaches about 27% of the total population of active age (15-64). From overall sample, 13% are pensioners, 12.3% unemployed and 2.2% school pupils/students.(...) About 20% of the population (initially registered as unemployed of house workers) perform occasional economic activities*"(Cace et al., 2010, p. 33).

The Roma population is excluded and, at the same time, self-excludes itself from the labour market. The lack of identification papers, which is often the result of own ignorance and lack of interest, prevents them from working on legal bases. Although there are no recent data on the structure of the Roma population depending on their level of education or of involvement on the labour market, policies of social inclusion promotion were implemented in correlation with actions of the civil society. The main measures adopted by AJOFM (County Agency of Labor) to facilitate the employment of the Roma people are:

¹ Probabilistic, two-stage, stratified sample designed using the principles of the *Barometer of Roma inclusion*. The sample consisted of 1537 self-identified Roma people, aged over 15, with a sampling error of $\pm 2.5\%$ for a confidence interval of $\pm 95\%$ (Cace, 2010, p. 7).

- As of 2005, it organised employment caravans for the Roma people, training courses for professional formation, services of professional orientation and facilitation of employment;
- Important financial sources were allocated from the state budget to stimulate the participation of the vulnerable groups on the labour market;
- Employment events were organised for the Roma women;
- In 2006, the AJOFM offices cross country organised 35636 campaigns to facilitate employment in 2903 Roma communities; the result was the registration in databases of about 27000 people (of which over 19000 women) and the employment of over 4000 people (of which 1188 women) (***, 2008, pp. 124- 125).

However, the results are hard to quantify at the national level and, undoubtedly, their long-term impact is not satisfactory for the direct beneficiaries, for their representatives or for the other members of the society. Education, occupation and income are factors that, by their low values, act as stigma for the Roma population, ethnicity always regarded as being "at the margins of society". (Surdu, L., 2010, p. 61)

5. The social entrepreneurship – role facilitating the integration of the vulnerable groups on the labour market

The era of globalization imposed essential transformations in the life of most people, particularly in terms of employment. Given the pressures, the labour markets underwent essential transformations, from the occupational structure to the forms of employment, the time of work or the implications of work on the health and personal life of the individuals. The global economic crisis stressed the poverty and social exclusion. The repercussions of the financial crisis on poverty are major and display trends of aggravation, particularly as the measures of social protection are shy and marginal. In Romania, the effects of the economic crisis started to appear at the end of 2008, one of the indicators being the unemployment rate, which increased steadily as of that moment. The technical unemployment also became part of the organisational culture, while the decrease of population's income is certitude with immediate impact. The first channel for poverty propagation is the labour market, the unemployment being the form of social exclusion with immediate effect and with major impact on the individual welfare. Thus, one of the most relevant indicators for the economic and social life, next to the GDP, is the unemployment rate; however, the exclusion from the labour market also entails other phenomena, as serious as that, or maybe even more serious than it, such as the informal work and the work paid differently than recorded in the documents.

The current economic situation stressed the social problems of the vulnerable groups, so that the efforts were redirected from seeking a job towards identifying the sources of income for survival. The economic theories no longer treat *man* in terms of producer or consumer, employee or employer, acknowledging that one of the indirect effects of the economic market power is the exclusion from the labour market of the people who don't fit into the equation of profit generation, accumulation of capital and with the consumption patterns. The social entrepreneurship started to be considered an alternative to the increasingly numerous categories of persons who became redundant within the process of labour division, responding in an innovative manner to the social needs. „*The social entrepreneurship already is an international phenomenon*”, and in Europe it was strongly promoted through EU policies, covering a wide area of dynamic and innovative international practices in the social and environmental areas (Nicholls, 2006, p. 5).

The consolidation of the social entrepreneurship in Romania is tightly linked to ESF accession, which allows consolidating the activity of the specific organisms and institutions, and to drawing new members of the civil society or of the local authorities towards this sector. As the social economy projects developed, jobs were created mainly for the vulnerable groups.

The facilitation of insertion on the labour market is strongly stimulated by financing from the structural funds. The field of human capital development and promotion of social inclusion is the object of an operational program¹ funded by ESF, with a financial allocation of 3.47 billion €, amount distributed among seven priority axes. Of them, four priority axes² (each of them with several areas of intervention) aim the inclusion of the different categories of vulnerable groups on the labour market.

The stimulation of social entrepreneurship is one of EU prerogatives. Different types of intervention have been encouraged, the stress falling on research and dissemination of information about this sector, in the first stage. Subsequently, the program encouraged particularly the establishment of social economy organisations. From the beginning of the financing period until 2010, 84 social economy organisations have been established and 103 jobs were created (AM POSDRU, 2011, p. 83). This proves the incapacity of entrepreneurial activities development, since the average number of jobs created by a social economy organisation is of 1.22, under conditions of non-reimbursable financial assistance.

¹ Sectorial Operational Program Human Resources Development 2007-2013.

² Axis 2: Correlation of life-long education with the labour market; axis 4: Modernization of the public employment service; axis 5: Promotion of the active employment measures; axis 6: Promotion of social inclusion.

6. Conclusions

The social entrepreneurship is a challenge for our country, given the economic and social crisis, the extent of poverty and of social exclusion which affect important segments of the population, the official unemployment rate and the significant deficiencies in the supply of social services; at the same time it also is an opportunity which we cannot fail capitalising. The structural funds have a huge potential of promotion and stimulation of the entrepreneurial initiatives in the social sector, being a significant financial capital dedicated to the promotion and development of this sector.

The characteristics of the participation of the vulnerable groups on the labour market are: higher risk of exclusion from the labour market depending on the age; dependence of the people with disabilities on the system of social assistance as illustrated by very low employment rates; the complex causality of Roma exclusion from the labour market; the higher poverty risk for the families with many children and, paradoxically, the higher poverty risk of the employed people. Under these conditions, the development of the social entrepreneurship in Romania is a must. The role of this type of social intervention is not just to solve or diminish the structural dysfunctions of the labour market, but also the force of the message it conveys to the society and the economic sector regarding the potential of the categories disadvantaged on the labour market, thus contributing to the annihilation of the stereotypes of all kinds, appropriated both by the employees, by the candidates to an open job and by the employers.

Social entrepreneurship can be a lever supporting the economic growth and it will certainly be a major source of social value creation by the social inclusion of the vulnerable groups, by the development of the social capital in communities and by the regulation and legitimation of the entrepreneurial activities as distinct area, acknowledged and valued both on the free market, and through the social policies.

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