

Research on the Value Creation System of Social Entrepreneurial Organizations

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Abstract: with the Popularization of the Concept of Public Welfare and the Rise of the Wave of Entrepreneurship, More and More Groups Are Paying Attention to and Participating in Social Entrepreneurship. Social Entrepreneurship is a New Form of Social Management Innovation, Which Has Realized the Integration of Social Value and Commercial Operation. in Recent Years, It Has Played a Positive Role in Solving Social Problems and Innovating Social Management. as a New Form of Entrepreneurship, Social Entrepreneurship is Constantly Developing and Flourishing in Academia and Entrepreneurship Practice. Social Entrepreneurship Not Only Provides an Important Solution for Sharing the Government Functions and Solving the Problem of Employment Difficulties, But Also Plays a Huge Role in Promoting the Improvement of the Overall Social Moral Level and the Realization of Group Personal Values. Value Creation System is Very Important in the Process of Value Creation of Social Entrepreneurial Organizations. in Order to Better Understand the Business Model of Social Entrepreneurial Organizations, This Paper Establishes the Value Creation System of Social Entrepreneurial Organizations by Referring to the Conceptual Framework of Financial Reports.

1. Introduction

In Today's Increasingly Developed Economy, Although Rapid Economic Development Has Brought Convenience to Human Economic Life and Material Enjoyment, At the Same Time, We Are Also Suffering from a Series of Adverse Social Problems Brought about by Economic Development [1]. Social Management Innovation is an Inevitable Choice for Social and Economic Development to a Certain Extent. Social Entrepreneurship is a New Form of Social Management Innovation, Which Realizes the Integration of Social Value and Commercial Operation. as a New Global Entrepreneurship Model, Its Essential Feature is to Create Social Value by Means of Commercialization. Social Entrepreneurship Organizations Have Fully Realized the Combination of Social Value and Enterprise Operation [2]. Business Model is Not the Patent of Internet Enterprises. Whether It is for Commercial Organizations or Non-Profit Organizations, There is a Set of Target System to Establish Their Operation and Development as Well as Means and Measures to Maintain Their Operation [3]. the Realization of Social Value by Social Entrepreneurship Organizations through Commercial Management Methods Has Gradually Become a Hot Topic. Such Organizations Must Think about Innovative Management Methods in Order to Maintain Sustainable Development [4]. At Present, China's Entrepreneurship is Facing a Good Opportunity. Social Entrepreneurship, as a New Form of Entrepreneurship, is Constantly Developing and Flourishing in Academia and Entrepreneurship Practice [5]. Countries with High Entrepreneurial Activity Indexes Also Have High Activity Index in the Field of Social Entrepreneurship, and Social Entrepreneurship is Becoming an Emerging Hotspot in Economics and Management Research.

Social Entrepreneurial Organizations Refer to Organizations That Use Innovative Methods to Solve Social Problems and Use Traditional Business Methods to Create Social Value Rather Than Personal Value. Social Entrepreneurial Organizations, as an Innovative Organizational Form, Have Flourished Globally, and Have Played an Active Role in the Fields of Employment, Education, Poverty Alleviation, and Medical Care, Causing Widespread Concern [6]. Social Appeals for Corporate Social Responsibility Have Become Stronger, and Government and Law Requirements for Corporate Social Responsibility Have Become Stricter. If Social Entrepreneurial Organizations

Can Introduce New Business Model Concepts and Carry Forward the Entrepreneurial Spirit, Such Organizations Will Have Opportunities for Survival and Development [7]. Regardless of Whether It is a Commercial Organization, a Non-Profit Organization, or a Current Innovative Social Entrepreneurial Organization, Business Models Are Used as the Core Logic for Obtaining and Creating Value, and Strive to Clarify the Organization's Operations and Maintain Sustainable Development to Meet Internal and External Challenges of the Organization [8] . Social Entrepreneurial Organizations Not Only Play a Significant Role in the Process of Economic Value Creation, But Also Have Some Innovations in the Number of Employees and Systems [9]. Social Entrepreneurship Not Only Provides Important Solutions for Sharing Government Functions and Solving the Problem of Difficult Employment, But Also Plays a Huge Role in Improving the Overall Moral Quality of the Society and the Realization of Group Personal Values.

2. Theoretical Basis of Value Creation System of Social Entrepreneurial Organizations

As Early as the 15th Century, Financial Transactions Were Recorded According to Rules Such as Cost Accounting and Double-Entry Bookkeeping, and Then Reported to Asset Owners. This Financial Information Helps Businessmen, Landowners and Others to Evaluate Management Performance and Make Decisions When Resources Are Limited. the Emergence of Social Entrepreneurship Organizations Has Made Up for the Deficiencies of the Market and the Government and Has Become a Powerful Supplement to Solve Social Problems, Thus Rapidly Becoming a Hot Issue of Social Innovation. Despite the Rapid Expansion of Practice, the Relevant Research in the Field of Social Entrepreneurship is Still Lagging Behind, and the Performance Evaluation of Social Entrepreneurship Organizations is One of the Fields That Need to Be Explored Urgently [10]. with the Continuous Emergence of Social Contradictions, the Governance of Social Problems Has Become a Historic Problem That the Government, Society and Even Individuals Must Face. Therefore, It is Necessary to Increase Efforts to Promote the Development and Growth of Social Enterprises, Especially the Group is the New Force and Driving Force of Social Development. Just Like Financial Reporting, the Purpose of Business Model Reporting is to Provide Useful Information for Internal and External Stakeholders to Make Decisions. Just as Users of Financial Reports Benefit from the Conceptual Framework of Financial Reports, Users of Different Business Models Can Also Benefit from Different Conceptual Frameworks of Business Models.

Social Entrepreneurship Organizations Should Not Only Provide Excellent Products, But Also Participate in Market Competition. Therefore, Only by Defining the Product Area and Market Positioning, and Formulating Its Own Differentiated Competitive Strategy, Can the Limited Resources and Capabilities Be Used More Efficiently and the Mission of the Organization Be Achieved. the Existing Performance Evaluation of Social Entrepreneurship Organizations Only Considers the Input and Output Parts, But Does Not Touch the Important Social Value Parts. to Measure the Advantages and Disadvantages of a Business Model Depends on Whether It Defines the Needs of Customers and Creates Value for Customers, and Whether It Meets the Balance between Social Value and Economic Value. the Dual Value Objectives of Social Entrepreneurship Organizations Need Performance Evaluation and Ensure Their Sustainable Development. Any New Thing Will Encounter Risks and Problems in the Process of Development. How to Overcome the Difficulties and Maintain Good Competitive Advantages and Core Competitive Weights in the Fierce Market Competition Becomes Crucial. Social Entrepreneurship Organizations Transform Social Problems Related to Them into Market Opportunities. through Commercial Operations, They Not Only Bring Rich Economic Benefits to Enterprises and Shareholders, But Also Solve Related Social Problems. as a Social Entrepreneurship Organization, the Value Creation System Still Needs to Let Shareholders Know the Possible Returns and Benefits in the Future.

3. The Construction of Value Creation System for Social Entrepreneurial Organizations

The Founder of the Social Entrepreneurship Organization, Deeds, Proposed That the Social

Entrepreneurship Organization Does Not Exist Only for Financial Goals, But is a Mixture between Commercial Organizations and Non-Profit Organizations. Social Start-Up Organizations Need to Clearly Describe What the Cost and Income Are and What Profit Targets They Need to Achieve. Specifically, They Include Pricing, Fees, Sales and Other Methods and the Proportion of Income Sources. the Business Model of Social Entrepreneurship Organization is an Overall and Systematic Concept, Not Just a Single Component. Such as Profit Model, Customer Value and Organizational Structure, Are All Important Components of the Business Model, But Not All of Them. as a New Form of Organization, Social Entrepreneurship Organizations Are Still in the Exploratory Stage. Therefore, the Uncertainties and Expectations of Risks and Difficulties Faced by the Establishment of Social Enterprises Are Often More Changeable and Difficult [11]. Innovativeness is Reflected in the Innovative Perspective and Innovative Methods, and the Innovative Concept of Social Entrepreneurship, Economic Value and Social Value Win-Win is Put Forward. the Existing Evaluation System of Non-Profit Organizations Pays More Attention to Policy Promotion and Procedural Steps, and Cannot Fully Meet the Needs of Social Entrepreneurship Organizations. Innovative Integration of Various Resources, Including Human, Material and Social Resources, to Find a Perfect Combination of Multiple Social Goals.

Entrepreneurial funding system can help individuals to develop entrepreneurial opportunities, entrepreneurial education system can improve the ability of entrepreneurs to identify opportunities, and the optimization of entrepreneurial environment will provide more entrepreneurial opportunities for entrepreneurs. Therefore, it is helpful for individuals to develop new businesses and expand new markets, thus contributing to the implementation of the opportunistic entrepreneurship model. For example, Table 1 shows the results of empirical analysis of social entrepreneurship policies and entrepreneurial attitudes.

Table 1 Results of Empirical Analysis of Social Entrepreneurship Policies and Attitudes

Variable	Perceptual skills	Perceptual opportunity	Entrepreneurial intention	Fear of failure
Venture aid	0.076	0.146	0.069	0.274
Entrepreneurship education	0.058	0.235	0.059	0.394
entrepreneurial environment	0.008	0.085	0.047	0.032
Type of economy	0.012	0.087	0.095	0.034

In entrepreneurial activities, the scale of social relations as an important factor of social capital has the most important influence on entrepreneurial performance. Entrepreneurs with a large scale of social relations have strong financing ability and can make their own investment decisions according to market opportunities, thus improving the success rate of entrepreneurship. The specific process can be shown in Figure 1. First, the minimum spanning tree is obtained, and then the cycle is controlled according to the conditions to cut off the edge with the largest weight. If two clusters need to be obtained, only one of the longest sides needs to be cut.

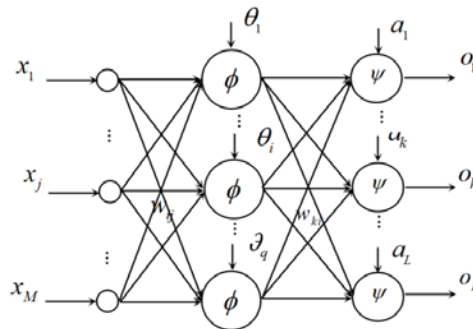


Fig.1 Spanning Tree Process

Innovation-driven economies score higher on entrepreneurial policies than investment-driven economies. This is mainly due to the higher level of economic development of innovation-driven economies, a more complete policy system, and higher efficiency in the allocation of entrepreneurial resources. Figure 2 is a conceptual model of the impact mechanism of

entrepreneurial policy on entrepreneurial entrepreneurial behavior.

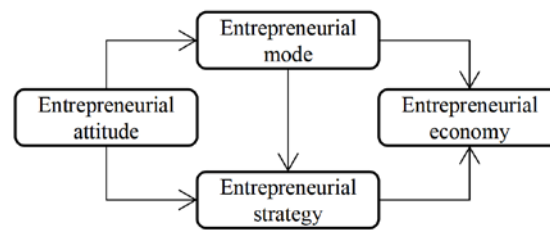


Fig.2 Conceptual Model of the Impact Mechanism of Entrepreneurial Policy on Entrepreneurial Entrepreneurial Behavior

There must be an internal connection between the components of the business model of social entrepreneurship organizations. This internal connection organically connects the components so that they support each other and work together to form a virtuous circle. Social entrepreneurship not only requires individuals or groups to have high courage, outstanding innovation ability, promising entrepreneurial projects and a certain amount of experience accumulation, but more importantly requires a certain amount of capital investment to start and maintain projects. Operation mode refers to the combination of people, money and things within an organization. Whether an effective operation mode is the decisive factor for the success of any organization, and the operation mode is the foundation of organizational development and success. For general commercial enterprises, the creation of profits is the core value of commercial enterprises, undertaking social responsibility is the by-product of enterprises' realization of economic value, and for social entrepreneurship organizations, the creation of social value is the primary goal [12]. Due to the fact that the credit files have not been fully integrated with the society, the financial institutions' lending time is long and the amount is small due to the consideration of market prospect, risk judgment, repayment ability and other factors. Social entrepreneurship organization is a special organization that combines public welfare and profitability. This dual attribute determines the uniqueness of its operation mode.

4. Conclusion

The sustainable development of social entrepreneurship organizations is a long-term process of gradual and orderly progress. We should go straight to the essence of the problem through phenomena, try our best to explore the law of organizational development, further understand the orientation of career planning, integrate social resources for social entrepreneurship, and explore the internal micro-environment and external macro-environment for the development of social entrepreneurship organizations. Specifically for social entrepreneurship organizations, the core element of resource allocation is mainly the arrangement of their resources, processes and assets in order to realize dual values. At the same time, fully integrate resources, optimize operational processes and realize sustainable development on the basis of value creation. Social entrepreneurship organizations do not regard economic returns as their sole goal, but the realization of dual values also requires a strong network to obtain resources. General business organizations aim to maximize profits, and the ultimate destination of profits is the organization's shareholders. However, the ultimate goal of social entrepreneurship organizations is to solve social problems, complete social missions and create dual values. Therefore, part of the profits finally obtained are used for social undertakings. In the process of implementing entrepreneurship education, colleges and universities need to set up a set of social entrepreneurship curriculum system to provide a platform and practical opportunities for social entrepreneurship.

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