Business & Social Science
IJRBS

Research in Business and Social Science

IJRBS Vol 8 No 3, Special Issue ISSN: 2147-4478

Contents available at www.ssbfn.net.com/ojs

<https://doi.org/10.20525/ijrbs.v8i3.256>

Competency Model of Social Entrepreneurs: Learning from Successful Indonesian Social Entrepreneurs

Purnaning Dhyah Guritno

Corresponding Author: Post Graduate School, University of Airlangga, Surabaya, Indonesia. 62-8588-1111992

ORCID ID: 0000-0002-1455-1626

Haryono Suyono

Post Graduate School, University of Airlangga, Surabaya, Indonesia 62-813-8002-8687

Merinda H. C. Pandowo

Post Graduate School, University of Airlangga, Surabaya, Indonesia 62-816-516-242

Abstract

Social entrepreneur competencies which drive social business success and how these competencies are developed, unfortunately have not clear yet. This study aims to build a competency model for social entrepreneurs and to find out pattern (in method, period, sources) for developing competencies by studying successful Indonesian social entrepreneurs. The reports on social entrepreneur competency model presented in this paper. This research adopt qualitative approach using multiple case study design. Data collected by indepth interviewing 29 informants, studying documents and conducting field observation in eight cities. Results show that successful social entrepreneurs have shared competencies which indicate existence of social entrepreneur competency model. The result of this study complements empirical studies in social entrepreneurs' competencies by showing competencies that drive success of social business i.e: Achievement orientation, Persistence, Initiative, Courage to take opportunities, Networking, Influencing others, Team leadership, Developing others, Teamwork-Colaboration, Orientation to help and serve others, Mission orientation, Affiliate interest, Creative thinking. The finding has direct implication on social entrepreneur education and development programs included method, materials, design and sources of development because the competencies determine the success constitute mostly of attitudes, motives and traits instead of knowledge and skills.

Key words: Competency, Model, Framework, Social Entrepreneur, Development

JEL classification: 015

Submitted: 24.03.2019 - Accepted: 28.04.2019

Introduction

Social entrepreneurship is seen as a prospective approach to overcome social problems that so far cannot be resolved through government, social organizations or profit businesses. Schwab emphasized that their strength in influencing business has already existed,

and therefore need to strengthen and scale up (Schwab in Elkington and Hartigan, 2008). As an alternative of community development effort, social entrepreneurship has been adopted in various countries. The governments of Asian countries now promote social entrepreneurship as a driver of innovation that offers solutions to the social problems (Thomas and Reddy, 2013). Such motivation echoed in Indonesia, but in general these social businesses are still in a small scale or in the early development stage so they still have to be driven to develop and succeed.

Review on entrepreneurship literatures by Mitchelmore and Rowley (2013) shows that entrepreneur competencies is crucial for business performance and growth because management structures and independency of small businesses cause entrepreneurs to have a key role in business operations. In social enterprises among internal key success factors are clear mission, leadership, entrepreneurship, business acumen, a culture of learning (Coburn and Risdijk, 2010) which mostly driven by social entrepreneurs. This means developing social entrepreneurs' competencies (e.g. ability to articulate mission, lead team, to develop a learning culture within organisation) is strategic for social business success. As stated by Bird (Mitchelmore and Rowley, 2010) entrepreneurial competencies can be learnt therefore understanding competencies and identifying competencies are crucial for educators and progress of learning opportunities.

Competency-based human resources management applies a competency model as the basis for human resources management strategy and practices include competency development program (Whiddett and Hollyforde, 2000, p. 53 – 178). The competency model identifies competencies must be acquired by job holders, both minimum competencies and those lead to superior performance (Cripe, 2012: ii). For this, studies on competencies of superior performers are conducted to develop a competency model. Among rare researches in social entrepreneur competencies were carried out by Miller (2012) and Orhei et al (2015). However, these studies conducted toward general population of social entrepreneurs who might not discover the competencies of successful ones and could not function as a competency model. As many jobs and profit entrepreneur show a model of superior performers' competencies (Spencer and Spencer, 1993) a model of social entrepreneurs might also be existed.

In the area of competency development programs, Brock and Steiner's (2009) result of study toward 107 social entrepreneurship courses raised question on what course content and designs are most apt to persuade students to develop a social mindset and become service-oriented leaders. Dees (Worsham, 2012) mentioned the need to integrate emotional intelligence into social entrepreneurship pedagogy but admitted that ability to teach students' 'true' empathy is much more difficult and is still underdeveloped. Lawrence et al (Melissa, 2012) summarized two main challenges in social entrepreneur competency development. First, educators are still trying to understand what social entrepreneurs actually do to understand their competencies so that they can develop a good education program. Second, at this time teaching material is abundant but fragmented, it is unclear what should be included in the course, and how the material needs to be used and adopted. As educators are in the stage of understanding social entrepreneurs competencies, an empirical study about successful social entrepreneur competencies is needed.

The understanding of social entrepreneurs competencies is also necessary for developing an integrated and effective development program. Meanwhile the social entrepreneurship development programs effectiveness in building successful social entrepreneurs have not yet studied thoroughly. An evaluation study on development program in India (Thomas & Reddy, 2013) examined graduate readiness to work as perceived by the graduate and the prospective employer, showing that the study did not evaluate the program effectiveness as social entrepreneurs. Tomasko's (2012) work explains that social entrepreneur development program in School of International Services-American University may prepare students to have knowledge and skills in social entrepreneurship. However, it does not cover development of motivation and self identity as a social entrepreneur which might have greater influence to students' future success as social

entrepreneurs. Dees, *Father of Social Entrepreneurship Education*, believes that it is not education program's job to produce students who immediately launch social ventures upon graduation. They may not have the experience or skills to lead the venture, or they may have trouble attracting the necessary resources (Worsham, 2012). This means education program alone may not enough to develop successful entrepreneurs, so that understanding successful social entrepreneur competencies and their competency development experiences are important studies. In one hand the study will provide practical benefits for social entrepreneur development program, on the other hand it will provide further perspective in human development theories by studying 'superior performers/social innovation leaders', which development experiences might be different with grand theories in human development.

In Indonesia research on social entrepreneur competencies and the development of those competencies have not existed yet because social entrepreneurship research is still at early stage and mostly aimed to explore social enterprise model, operation and effectiveness. Research on social entrepreneur competency is needed to help improving the effectiveness of entrepreneurship development programs which are already started by several organizations. For those reasons, the objectives of this research are: (1) to identify competencies of successful social entrepreneurs, (2) to build a competency model of social entrepreneurs (3) to find out pattern in developing competencies of successful social entrepreneur. This paper provides report on objective one and two of this study.

The benefits of this study include: (1) add on human resource competency model with social entrepreneur competency model (2) provide a reliable reference for social entrepreneurs competency development policies and programs, so that they are more integrative and effective to increase the likelihood of new/candidates social entrepreneurs to succeed, (3) provide further perspective in theory of human development of individual with superior performance especially in social entrepreneurship. First part of this paper presents literature and empirical studies review on social entrepreneurship, key success factors of social enterprise, theory of competency and competency model, finally competency of social entrepreneurs. Second part explains the method of this study, third part describes and analyzes result of this research, the fourth part discuss the results and the last part provide the study conclusion.

Literature Review

Social Entrepreneurship, Social Entrepreneur Characteristics, Social Business, Social Enterprise

The term social entrepreneurship has been popularized in 1980s - 1990s by Bill Drayton. Bornstein and Davis (2010) define social entrepreneurship as a process by which individuals build or transform institutions to advance solutions to social problems. Schwab Foundation describes it as applying a practical, innovative and sustainable approach that is beneficial to society in general, especially those who are marginalized and poor. This includes using a unique approach that cuts across sectors and disciplines and grounded in certain values and processes independent from area of focus and the entities of organizations (profit or non profit). Martin and Osberg (2007) sees social entrepreneurship has three components: (1) identifying an unjust equilibrium that causes the exclusion, marginalization, or suffering of a segment of humanity; (2) identifying an opportunity, developing a social value proposition, and bringing to bear inspiration, creativity, direct action, courage, and fortitude to challenge stable state's hegemony; and (3) forging a new, stable equilibrium that releases the suffering, imitate and create a stable ecosystem to ensure a better future for the targeted group and even society at large. These varied definitions bring an understanding that social entrepreneurship is:

- a process of building or transforming organization
- using innovative, sustainable ways grounded on certain process and values
- aims to solve social problems and to ensure a better future.

Ashoka Foundation description of social entrepreneurs are individuals with innovative solutions to society's most pressing social, cultural, and environmental challenges. They are ambitious and persistent, tackling major issues and offering new ideas for systems-level change. Schwab Foundations explains common

characteristics of social entrepreneurs included: (1) believes in people capacity to contribute to economic and social development, (2) has strong drive to make it happen, (3) practical but innovative, often uses market principles and forces which can break ideological or scientific barriers, dares to take risks (4) persistent to measure and monitor impact, has high standards for the organization and response to community, (5) constantly seeks feedback and improvement, impatiently wants to see the changes, and a driver of change. Bornstein and Davis (2010) say social entrepreneur is an individual who works to improve old, or build new organizations that address the social problems. He/she believes in the power of his/her ideas, perseveres, and helps others to recognize their potential to enact change. Other definition came from Dees (2001) one of the initiators of social entrepreneurs education. Social entrepreneurs play the role of change agents in social sector by: (1) adapting a mission to create and sustain social value, (2) recognizing and relentlessly pursuing new opportunities to serve the mission, (3) engaging in a process of continuous innovation, adaptation and learning (4) acting boldly without being limited by resources (5) exhibiting high accountability. Those definitions show either the characteristics (Ashoka, Schwab, Bornstein & Davis, 2010) or behavior (Dees, 2001) of social entrepreneurs, but it is clear that social entrepreneurship deals with the process and social entrepreneur is the person behinds the process. It can be inferred that social entrepreneur is the person who encourages innovation or social transformation in certain field such as education, health, environment, company development to overcome economic/social/political/ environmental problems in society by means of entrepreneurship, business methods or other innovative ways.

Nobel prize winner, Muhammad Yunus, defines social business as a business for social purpose. All profit made is fully dedicated to social benefits because the business established to achieve social benefits. Yunus emphasizes that this business is different from social enterprises which are widely created in developed countries (United Kingdom, United States of America, Canada) where it is still possible to partially return income to the owners of capital (Yunus and Weber, 2010). Social business is very different from profit-making business and non-profit organizations since the goal is to solve social problems using business methods, including creating and selling products and services (Yunus and Weber, 2010). Meanwhile, the UK government definition of social enterprise is 'a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximize profit for shareholders and owners' (DTI, 2002, p. 13). The characteristics of social enterprise cover: provision of social or environmental products and services, doing a business to provide or cross-subsidies on products, or social/environmental services, using a method of work that can supply significant social benefits.

Social Enterprise Key Success Factors

Social entrepreneurs seek to realize their social mission by building or transforming organizations. Factors that influence the success of these organizations were identified through some researches. A research conducted by Scottish government (Coburn and Risdijk, 2010) concluded both external and internal factors influence company success. Social business cannot be separated from the context in which it operates includes political, economic and social conditions. Steinman (2010) also identified environmental factors determine organizations success, include: (1) Policy, legislative and regulatory (2) Institutional factors, and (3) Political and cultural factors, while Ferri (2011) found that both formal institutions (government expenditure, access to finance, government effectiveness) and informal institutions (social needs, social attitudes and education) influence the social entrepreneurial activities.

Coburn and Risdijk (2010) show internal factors determine the success of social enterprises include: clear missions, strong and inspiring leadership, valuable products, excellent operation systems, entrepreneurship and business acumen, a culture of learning and innovation, scale, income base and ability to manage finances, as well as effective relationship and alignment with the needs of stakeholders. Meanwhile, collaborative research in nine Latin American and Spanish countries also found out key internal factors that lead to superior social performance (SEKN in Ospina, 2006). There are three drivers namely: leadership, strategy and culture and five implementation mechanisms cover: structure, human resources, funds, governance, and performance management. These two studies results are overlap and complementary.

Competency

The study of competencies started in the early 1970s (Zwell, 2000, p. 22). Now it becomes major concern of academics, business practitioners, government and social sectors in various parts of the world. Cripe (2012: ii) states that competency models are popular because they are developed based on those who have superior performance, based on facts rather than subjectivity. Boyatzis (1982, in Boyatzis, 2007) defines competency as underlying characteristics of the person that leads to or causes effective or superior performance. Spencer and Spencer (1993, p. 9) describe further by stating that competency as an underlying characteristics of an individual that is causally related to criterion-referenced effective and/or superior performance in a job or situation. Another definition of competency is enduring traits and characteristics that determine performance (Zwell, 2000, p.18). Spencer and Spencer (1993, p.9-10) also identify there are five types of competencies consist of: motives, traits, self concept (attitudes, values, and self image), skills and knowledge. Knowledge and skills tend to be visible as it is on surface of iceberg competency model, self concept is below the surface, traits and motive are most hidden, deepest and central of personality. These literature show that competency does not only consist of knowledge and skills, but also certain individual characteristics that lead to effective or superior performance. Other personality parts which do not cause effective or superior performance are not competencies. Competencies lead to performance in causal effect which is competency (intent) causes behavior (action) that in turn affects performance (output) (Spencer & Spencer, 1993 p.12).

Zwell (2000, p.24) affirms that one important aspect of competency concept is the ability to differentiate of those with superior performance. Boyatzis (2007) shows published researches over the last 30 years of outstanding performers appear to have three clusters of threshold abilities and three clusters of competencies which distinguish outstanding performance. The threshold competencies include: (1) expertise and experience, (2) knowledge (i.e. declarative, procedural, functional, and meta-cognitive), and (3) basic cognitive competencies such as memory and deductive reasoning. The competencies differentiate outstanding from average are: (1) cognitive competencies such as system thinking and pattern recognition, (2) emotional intelligence competencies including self-awareness, self-management competencies, and (3) social intelligence competencies including social awareness and relationship management such as empathy and team work.

Competency Model

Competency model/framework is a descriptive tool to identify competencies needed to work in a role in a job, organization or industry (Fogg, 1999 in Ennis, 2008). Depending on type of job, a competency model usually consists of 7 - 9 competencies (Shippman et al, 2000 in Ennis, 2008). The competency model identifies competencies that must be acquired by job holder, the minimum (threshold) competency, but more important is the competencies that lead to superior performance (Cripe, 2012: ii). Competency-based human management uses competency model as the basis for developing human resources strategy and practices include selection, career and competency development, performance and reward management (Whiddett and Hollyforde, 2000, p. 53 – 178). Therefore, a competency model is needed if one aims to achieve effective competency development programs included social entrepreneurs competency development.

Social Entrepreneur Competencies

It is widely recognized that entrepreneurial competencies determine business performance, growth and success. Management structures and independency of small businesses cause entrepreneurs to have a key role in business operations (Mitchelmore and Rowley, 2013). Research and literature studies on entrepreneurs competency show that entrepreneurial competencies directly or indirectly affect business performance (Mitchelmore and Rowley, 2010). This is supported by other empirical studies conducted in various countries conducted by Gerli et al (2011), Ahmad et al (2010), Sanchez (2011), and Sarwoko et al (2013). Therefore it can be concluded that candidates or new entrepreneurs need to develop their competencies to achieve good business performance.

Although many conceptual studies on social entrepreneurs indicate their characteristics as described above, empirical study on social entrepreneur competencies is still scarce. Among these are research conducted by Miller et al (2012) in the US and Orhei et al (2015) in Romania. Miller's survey of 150 social entrepreneurs

found five top ranked competencies cover problem solving skills, effective team building, capital/financial management, ability to lead/develop others and ability to communicate to customers, suppliers and other stakeholders. Orhei et al concluded that social entrepreneurs competencies is an interrelated multidimensional model consists of four dimensions i.e: Cognitive Competence (management, business ideas, legislation, marketing, social needs), Functional Competence (organizational skills, working with others, self-management, management, project management, analysis, concerted effort, assessment, proactive, handling risk, meeting social needs, marketing), Social Competence (self-confidence, openness to initiative, perseverance, solving social issues, consistency, future-oriented, openness to innovation, determination, openness to change, openness to entrepreneurship and attitude of winner), and Meta Competence (ability to solve social problems). These two researches results appear competencies of social entrepreneurs in the two different countries are so diverse, meaning that other country social entrepreneur competencies might be different. The two researches studied competency of social entrepreneurs without considering the business performance. As a competency model needs to be developed referring to successful performers, researches on competencies of succesful social entrepreneurs are needed. The following study expects to discover a model of social enterpreneur competencies based on studies toward successful social entrepreneurs.

Research and Methodology

This research uses qualitative approach because competency of succesful social entrepreneur still needs to be understood in depth, considering that empirical studies are still scarce. In addition, qualitative research is suitable for studying background, behavior, and motivation (Moleong, 2006, p.7) which this research aims to discover. This method is also chosen as the main characteristics of qualitative research is natural, so they are very close to the real situation, and the influence of context is maintained. With this method the possibility to understand latent, invisible or unclear issues is very large and will provide a rich picture of a process in the local context (Miles and Huberman, 1994, p.10).

Design of this research is multiple-case study (Yin, 2014: 57). By using several cases, similarities and differences between cases can be explored (Baxter and Jack, 2008). The evidence is seen as more convincing, and the whole study is considered stronger (Yin, 2014, p. 57). It can increase the precision, validity, stability and trust on the findings (Miles, Huberman, Saldana, 2014, p. 30).

The cases are selected with the following steps: (1) identifying social enterprises exist in Indonesia from printed and online medias, (2) selecting them using criteria adapted from characteristics of social enterprises as stated by the UK government, (3) identifying successful enterprises by adapting criteria suggested by Coburn and Risdijk (2010). This criteria included: the scale (cover national areas), program sustainability (minimum ten years of services), reputation (awards from international reputable organizations as successful social enterprises). Additional criteria is added which is working on social-economic issues in rural areas. It is applied because social-economic problems lead to other sector problems such as education, health, and environment. Other reason is rural poverty caused urbanization which creates problems in urban areas in Indonesia. Among 173 identified social enterprises, 17 covers national scale but very small numbers qualify other criteria. Three organizations qualify all criteria are chosen for this research. Last step (4) is identifying the social entrepreneur of these organisations, the person who initiates and manages or develops the organization.

Data are collected by in-depth interview, field observation and documents studies. The key informants are entrepreneurs who set up and manage successful social business (4 persons). Other informants selected through criterion sampling, i.e. his/her closeness to social entrepreneurs and the length of relationship with social entrepreneur at least five years so that they can be a reliable data sources. These cover 4 directors, 2 vice presidents, 3 foundation board members, 11 managers, 5 staff and ex staff. Total informants are 29 persons. Field observation conducted both in office and in program areas which are spread in eight cities in Java, the most populated island in Indonesia. Documents studied include organization documents and other documentation covers books, articles in printed and on line medias as well as videos about the organizations, characteristics and behavior of social entrepreneurs.

In this study data are analyzed referring to Miles, Huberman and Saldana (2014). The analysis includes a series of concurrent activities, namely: (1) data condensation, (2) data display and (3) conclusion drawing/verifying. This analysis is inseparable from data collection process. The data condensation conducted by: identifying key words from the result of interview, coding these key words, grouping data and clustering the data. Data are grouped into competencies and clusters based on Spencer and Spencer competency dictionary and cluster (1993, p. 75-89). Consistency of the data verified by triangulating data among informants and among data sources which is checking the results of interview with the results of document studies and field observation. Once competency of each social entrepreneur identified and verified the next step is conducting a cross-case analysis to build a competency model.

Empirical Data and Analysis

The setting of three successful Indonesian social enterprises is presented in brief to describe the context faced by social entrepreneurs. These organizations mentioned in abbreviation A, B, C.

A, a foundation set up in 1967, has gone through three eras: social movement, community development provider and social business (since 1999). It operates in almost all Indonesian 35 provinces. At present it has 13 companies run as social and profit businesses. The vision of this organization is to become a recognized institution that pioneer and superior in improving community empowerment and/through social entrepreneurship. To achieve the mission main activities covered: community development, micro finance, agribusiness, alternative tourism and communication development, and two supportive activities i.e. publishing and providing convention center. A collaborative efforts with government, NGOs and private sectors have made it able to touch the life of almost 25 million people in Indonesia.

B was initially built as a foundation in 1997, which later became an alliance of 460 activists (organizations and individuals) who concern about environmental sustainability and people dignity. They are spread in 27 out of 35 provinces of Indonesia. The vision of this organization is to have management of natural resources that are fair, both between generations and natural elements. B programs include community logging, community fisheries development, and community based tourism. The activities include investigation, campaign, policy advocacy, and community development. It has helped local people in 58 locations to apply sustainable forest management and successfully supported the development of cooperatives in nine areas bringing better income for people surrounding the forest, stopping them doing illegal logging and transforming into forest guards. Products supplied by community logging include forestry products, herbs, spices, coffee, cocoa and cashew nuts. B is focusing in community development while the economic activities managed by two profit companies.

C was initiated at the end of 1992 as a non-governmental organization (NGO) working in economic and energy issues in rural areas. It's document shows that C dedicates to make a significant contribution to improve the social and economic condition of the community in rural and remote areas by reconnecting the local resource to the local community using appropriate technology. The local community possession to the local resources will be the base of more equitable "future" economic model. Together with local community it has built 85 micro hydro electrical power plants in Indonesia, some in Philippine and Brunei. C empowers community to be able to manage the power house they have built and to organize fund collected from local community or government for their electrical supplies. This fund usually managed by local cooperative for community needs like additional capital for their small business, child education or emergency needs depends on previous agreement they made. C economic activity is handled by one company that supply technical and capacity building needs.

Results of interview and document study on social entrepreneurs competencies are condensed into key words. The key words are coded, identified the respective competency (competency group), and then clustered. An answer such as: "Mr A is *capable to motivate us* to be confident in serving community. Being close to him *make me* feel hypnotized and always *optimistic and highly motivated* to serve the deprived people" shows key word: capable to motivate team, make me feel optimistic and highly motivated. It is coded MOTIV, represents Team Leadership competency, clustered into MANAGERIAL competency. Another informant statement i.e: "Mr B has *very strong drive to achieve* his dreams" is coded ACH, represents Achievement orientation, clustered into Entrepreneurship. Same coding, competency and cluster applied for

statement of Social Entrepreneur C1: "I don't see problems as difficulties, I don't feel it is difficult, but it is a part of my journeys to achieve better result". It also shows resilience (code: RESIL, competency: Persistence, cluster: Entrepreneurship). These data are then triangulated among informants (each case 9-10 persons) and data sources (interview and document) to ensure data consistency. Field observation data are used for further verification if needed. Confirmation interviews conducted toward the social entrepreneurs for verifying the analysis result. Data of the four social entrepreneur competencies that already triangulated presented in table 1.

The result shows that eleven competencies are consistently appeared in three cases (entrepreneur A,B,C2) covered: 1) Achievement Orientation, 2) Persistence, 3) Initiative, 4) Networking, 5) Influencing Others, 6) Orientation to help and serve others, 7) Developing Others, 8) Team Leadership and 9) Teamwork-collaboration, 10) Mission Orientation, 11) Creative thinking (especially problem solving). Social Entrepreneur C1 does not show Networking and Influencing Others competencies, and Teamwork-collaboration but these are owned by Social Entrepreneur C2, so that organization C can still be successful. As stated in one document: "Initially C is stagnant, but because of Social Entrepreneur C2 lobbying capability, ability to give social touch, develop broad network and vision, organization can progress well".

Table 1: Cross cases data on Competencies of Social Entrepreneurs

COMPETENCY CLUSTER	1. Social Entrepreneur A	2. Social Entrepreneur B	3. Social Entrepreneur C (1)	4. Social Entrepreneur C (2)
	COMPETENCY			
Entrepreneur-ship	1.Achievement Orientation	1.Achievement Orientation	1.Achievement Orientation	1.Achievement Orientation
	2.Ability to see and acts on opportunity	2.Ability to see and acts on opportunity	-	-
	3.Inisiative	3. Inisiative	2. Inisiative	2. Inisiative
	4.Persistence	4. Persistence	3. Persistence	3. Persistence
Impact and Influence	5.Influencing Others	5.Influencing Others	-	4.Influencing Others
	6. Networking	6. Networking	-	5.Networking
Helping and Human Service	7. Orientation to help and serve others	7.Orientation to help and serve others	4.Orientation to help and serve others	6.Orientation to help and serve others
Managerial	8. Developing others	8. Developing Others	5.Developing Others	7.Developing Others
	9. Team Leadership	9. Team Leadership	6.Team Leadership	8.Team Leadership
	10.Teamwork-Collaboration -	10.Teamwork-Collaboration	-	9.Teamwork-Collaboration
Personal Effectiveness	11. Afiliative interest	-		10.Afiliative Interest
	12. Mission Orientation	11.Mission Orientation	7. Mission Orientation	11.Mission Orientation
Technical/ Profesional Skills	-	-	8. Skills in micro-hydro	-
	13.Financial Management	-	-	-
Cognitive	14. Creative Thinking	12. Creative thinking	9. Creative Thinking	12. Creative Thinking

Ability to see and acts on opportunity appears to be competency of entrepreneur A and B but not C1 and C2. In-depth analysis by examining the organization contexts shows that organization C economic activities are less developed compared to other two organisations and it still relies more on donor for it's program activities. Although they are not presence in case C1 and C2, it can be concluded that ability to See and Act on opportunities determine the success of social entrepreneurs because the lack on these competencies cause less progress in organization C economic activities therefore it is less independent from donor.

Affiliative interest shown by social entrepreneur A and C2 data consistently while data of social entrepreneur B are not consistent. Since social entrepreneur B has strong teamwork and collaboration ability, it raises question whether the two capabilities do not need high affiliative interest. Interview data on social entrepreneur B shows this interest as one informant said: "Since undergraduate student *he has had so many friends...* He has the *ability to build friendships and maintain it*". Social entrepreneur B himself said: "I joined various student activities, boyscout, choir, basketball, taekwondo, and mountain hiking... *I hoped that I would get new friends*". Data in affiliative interest did not present consistently might be because majority informants identify teamwork and collaboration ability more directly drives organisation performance rather than affiliative interest. These competences could also be identified more by informants because during research organization B is in the stage of totally independent from donor so that they feel the need for strong collaboration with other organisations. This stage has been successfully done by organization A, and has not gone through by organization C. Social entrepreneur C1 less interest in affiliation had made organisation C stagnant at early stage, but C2 affiliative interest has touched the community, broadened network, created more collaboration. These analyses indicate that affiliative interest is one competency that determines social business success.

Data in all cases show that social entrepreneurs are innovative, having a lot of ideas and actively doing new things. These data beside indicating high level of achievement orientation (Spencer and Spencer, 1993, p.27) also ability to think creatively especially creative problem solving in social business context.

Technical knowledge/skills in the relevant field is a competency which is consistently supported by social entrepreneur C1 data. Further content analysis shows that social entrepreneur A has technical knowledge in the field of community development program (such as micro-finance, knowledge in irrigation system) but technical skills in economic activities (e.g. producing books on organic farming) owned by the team. This is also true in the case of social entrepreneur B. During data confirmation stage, he mentioned that technical competency in forestry is very important for social entrepreneur in this field, but technical skills in TV broadcasting (as one of organization B economic activities) needs to be owned by the team, knowledge in broadcasting is enough for social entrepreneur.

Technical competency might not consistently appear in the data because this is basic (threshold competency), whilst the interview asked about competency which led to superior performer. One informant in organization B (who did not mention technical competency as a competency that leads to successful business performance) responded to inquiry question: "Technical competency, Biology in our case, *is basic skills* in what we are doing here. We need to be excellent in this field". An informant from organization C confirms this by saying: "Mrs.C2 is capable in convincing people, however one can be convinced because of proves that *we are capable to build micro-hidro power plants*, without these proven records it will be difficult to influence others". These statements indicate that technical competency might be basic competencies of social entrepreneurs.

Competency in financial management is quite persistently existed in A case but not the other cases. Confirmation interview with social entrepreneur C2 revealed that competency in financial management is important. However, day to day management can be delegated to team therefore a social entrepreneur does not need to be skillfull. Social entrepreneur C2 is skillfull in one part of financial management which is fundraising as this remains important activities of organization C. Further interview with social entrepreneur B showed that organization B needs better financial management and during this time it does not have the competency therefore it faces quite big challenges as it is in the stage of totally independent from donors. From verification interview it can be inferred that understanding of financial management is an important competency of social entrepreneur. It does not appear in social entrepreneur B data because he is still lack of this competency. In social entrepreneur C1 and C2 data, this competency does not consistently appear might be because informants see that it is not social entrepreneur distinctive competency (competency that lead to superior performer).

Results and Discussion

Referring to Boyatzis (2007) technical competency is categorized as expertise and knowledge in financial management is knowledge, so in his category they are grouped into threshold competencies. Applying Spencer and Spencer competency types (1993), Sees and Acts on Opportunities consist of skills (Ability to See) and attitude (Courage to Act), therefore the later together with achievement orientation, persistence, initiative, and commitment are emotional intelligence. Creative thinking (problem solving) is cognitive competency, while the rests are social intelligence. Since emotional and social intelligence are distinguishing competencies, this means research data support Boyatzis. Creative problem solving was not included in Boyatzis work, but this capability needs ability to think beyond basic cognitive, so it can be categorised as a distinguishing competency. For this, the research result on competencies of social entrepreneurs are synthesized in the diagram below:

Figure 1: Competency of Successful Social Entrepreneurs

Competency model is organized into cluster, competencies and behavioral indicators (Spencer and Spencer, 1993, p.159). The proposed competency model of social entrepreneurs formulated in this way (Table 2).

Spencer and Spencer declare there are five types of competencies. Table 2 shows that when it is grouped into Spencer and Spencer competency nature, those competencies fall into five categories. This means the findings confirm Spencer and Spencer statement about types of competencies.

Table 2: Proposed Competency Model of Social Entrepreneur

No	Competencies	Definition	Behavior Indicators
I Knowledge			
TECHNICAL/PROFESSIONAL			
1	Financial Management	Understanding the importance of finding sources of funds and managing finance in a planned and disciplined manner	<ul style="list-style-type: none"> • Emphasizing the importance of managing finance strictly for long-term needs • Seeks fund in various ways include driving commercial activities for sustainability of the mission • Continuously building network for collaboration in funding the programs
2	Technical Knowledge on the business	Understanding the technical operation of the business (e.g. micro hydro electrical power plant, sustainable forest management)	<ul style="list-style-type: none"> • Knows how to build micro hydro power plants in areas that are very remote and physically challenging • Able to coach community to manage forests in sustainable ways • Able to explain to the community the right irrigation techniques
II Skills			
MANAGERIAL			
3	Developing Others	Ability to facilitate learning or develop other people	<ul style="list-style-type: none"> • Believes that managing is coaching (motivation and empowerment) • Continuously trains/coaches team member to be skillful • Able to generate community groups ideas, agree on alternative solutions until they successfully overcome their problems
IMPACT AND INFLUENCE			
4	Networking	Ability to develop and maintain close relationship with people that might be beneficial for mission achievement	<ul style="list-style-type: none"> • Develops networks with various parties • Diligent and intense building and maintaining friendship with many people from various backgrounds • Building a vast network of cooperation and friendship in Indonesia and internationally
COGNITIVE			
5	Creative thinking (problem solving)	Ability to find solutions with new techniques/ approaches	<ul style="list-style-type: none"> • Creates innovations such as radio and community-based television stations, community-based sustainable forest management • Creates new products/services that were not available at the time of creation (e.g. agricultural magazines, agricultural shops, agricultural books, village tourism)
BUSINESS			
6	Sees Opportunities	Ability to see opportunities for business	<ul style="list-style-type: none"> • Threat seen as an opportunity and a challenge • Sees team capability as business opportunity • Sees problems as business opportunities
III Self Concept (Attitude, Values, Self-Image)			
ENTREPRENEURSHIP			
7	Courage to Take Opportunities	Daring to take opportunities despite the risk that might appear	<ul style="list-style-type: none"> • Explores every opportunity even though at a glance it looks contrary to organizations values • Using competencies owned by his team to develop business
8	Persistence	Willingness to continue to act despite various difficulties and resistances	<ul style="list-style-type: none"> • Persevere, resilient, never give up • Keeps running the plan despite experiencing obstacles • Treats failure as part of the dynamics, continues to reach the goal despite failures

Table 2: Proposed Competency Model of Social Entrepreneur (continuation)

No	Competencies	Definition	Behavior Indicators
	IMPACT AND INFLUENCE		
9	Influencing Others	Intent to convince, make others trust his/her ability and commitment to get support to achieve mission	<ul style="list-style-type: none">● Good at persuasion, people do not feel told and cannot refuse● Changes mindset, create new awareness● Has an extraordinary strategy to convince someone of his strong commitment and vision of empowering marginalized people
	MANAGERIAL		
10	Team Leadership	Ability to direct, motivate, drive team to achieve goals	<ul style="list-style-type: none">● Makes people around him inspired and motivated● If there is a problem always discuss together, want to embrace all to find the best solution● Motivate members to do the best in their lives and keep their original goals● Being able to synergize various skills in the organization so that it becomes a solid team
11	Teamwork and Collaboration	Sincere intention to work together with others within and outside organization and to belong to the team	<ul style="list-style-type: none">● Believes that by working together mission can be carried out● Collaborates with several NGOs to empower communities around the forest● Collaborates with companies (profit businesses) in business management
	HELPING AND HUMAN SERVICES		
12	Orientation to help and serve others	Intention to help and serve others to meet their needs	<ul style="list-style-type: none">● Is sensitive to problems in the community● Moved to provide benefits to the community despite obstacles are not small● His life is indeed for community empowerment, the soul is for empowerment
	PERSONAL EFFECTIVENESS		
13	Mission Orientation/ Commitment	Willingness to align behavior with the needs, priorities and organization goals	<ul style="list-style-type: none">● Faithful to what is believed to be a life call● Willing to sacrifice● In-vested effort to explains to various parties about the importance of village community development
IV	Motives		
	ENTERPERENEURSHIP (ACHIEVEMENT AND ACTION)		
14	Achievement Orientation	Concern for working well or competing for a standard of excellence	<ul style="list-style-type: none">● Always thinks what is next to progress and develop● Goals oriented, acting to achieve main goals and impacts, do not think of problems Continuously innovate by establishing other companies that can meet funding needs for the mission● Has a strong desire to achieve what is aspired
V	Traits		
	PERSONAL EFFECTIVENESS		
15	Affiliate Interest	Tendency to enjoy and easily create relationship with other people	<ul style="list-style-type: none">● Outgoing, embracing people● Gets along with everyone with different ethnicity, religion, or nation● Sincerely relates with communities, employees, relations and donors
16	Initiative	Preference for taking action, doing more than is required, doing things that no one has requested which will improve job results or avoid problems	<ul style="list-style-type: none">● Does something before other people do (pioneering activities to empower farmers to be able to live independently and prosperously, manage funds for future needs and for business development)● Pioneering business (profit) to finance empowerment activities so that they do not depend on donors● Expands business on new products and services

The model exhibits high achievement orientation, one of competencies in entrepreneurship cluster, supports the concepts of social entrepreneurs characteristics (Ashoka, Schwab, Dees, 2001) and research of their competencies (Orhei et al, 2015). Persistence confirms Ashoka, Schwab, Borstein and Davis (2010) characteristics of social entrepreneurs and also Orhei et al research. Ability to see and act on opportunities supports the concept of Schwab, Dees and research by Orhei et al. The research finding on social entrepreneurs as initiator is in line with the concept of Schwab and Dees. For impact-influence cluster and managerial cluster in particular the ability to lead and develop people, the finding supports Ashoka and Borstein-Davis social entrepreneur characteristics, and Miller's and Orhei et al research on competencies. On personal effectiveness cluster which is commitment to mission, this study is consistent with the concept of Schwab, Dees (2001) and Orhei's research (2015). In general, the findings confirm concept of social entrepreneur characteristics. This might be because concepts of social entrepreneurs characteristics derived from 'ideal' social entrepreneurs – the successful social entrepreneurs. It is also possible that competencies of superior social entrepreneurs mostly consists of personal characteristics rather than knowledge and skills so that they are more congruent with concepts of social entrepreneur characteristics. The results of research in Indonesia show that social entrepreneurs personal characteristics are similar with the concepts which are developed in Western countries indicating that personal characteristics might be universal. However, the results partly support research of social entrepreneur competencies as discussed below.

According to Miller (2012) ability to communicate to all stakeholders is one of five most important competencies for social entrepreneurs. In research towards Indonesian social entrepreneurs, communication skills are not supported by data consistently. However, all social entrepreneurs have the ability to influence and mobilize various stakeholders. Ability to mobilize diverse stakeholders requires communication skills, so the finding indirectly supports Miller's research. On the other hand, ability to communicate to various parties alone is not enough to move on people meaning that ability to influence others is needed for social enterprises success in addition to communication skills as a basic skills for mobilizing people.

Networking is not explicitly mentioned in the five studies above, but ability to communicate to all stakeholders (Miller, 2012) implies ability to relate with various stakeholders. Networking skill is important for the success of social entrepreneurs because with wide network there are more opportunities to collaborate for strengthening resources and expanding impact (organization A, B, C), even the network can be very supportive when organization faced challenges (organization B). Thus networking ability is one of competencies that determines social entrepreneurs success.

Orhei et al (2015) study results about organizational knowledge, organizational skills, project management as social entrepreneur competencies mentioned by some informants but they were not supported by data consistently. This could happen because Orhei's study (2015: 95) asked the founders about competencies they needed to set up a social enterprise, while study in Indonesia asked founders and other informants about competencies which led to social enterprise success. Therefore, majority of informants gave more answers on distinguishing competencies rather than threshold competencies. Social enterprises require social entrepreneur competencies both to establish and grow the organizations, so this study complements Miller and Orhei's research by showing competencies that lead to business success. Competency such as marketing, which is shown in Orhei's research, is not mentioned as a competency that social entrepreneurs need to have to be successful. As social entrepreneur C2 mentioned that complete competencies need to be owned by team, an informant of organization A also stated that social business A runs well as it has team members who expert in sales and others who are capable operating day to day administrations supporting social entrepreneurs. This means that a social entrepreneur does not need to have all competencies needed for social business growth which consists of two major business line, social and economic activities. They can choose the right team member (social entrepreneur A and C2), they can also collaborate with other organization (social entrepreneur B).

Neither the studies on social entrepreneur characteristics nor previous empirical research on competencies discussed above mentioned affiliate interest. Nevertheless, earlier studies by Spencer and Spencer (1993) show this is one of Social Worker distinguishing competencies. Spencer and Spencer studies found generic

competencies models of various types of jobs (Technicians and Professionals, Salespeople, Social Workers, Managers, Entrepreneurs) but it has not included social entrepreneurs. Comparison between this study and Spencer and Spencer entrepreneur competency model presents similar abilities in entrepreneurship and building network. However, concern for quality appears in model of profit entrepreneurs but not in social entrepreneurs. This competency actually implied in social entrepreneur achievement orientation as it concerns for working well/excellence. Creative problem solving shown only by social entrepreneurs, the reason might be because of social entrepreneurs work for solving social problems. The model is also different in managerial cluster and human service cluster. Social entrepreneurs are more prominent in the ability to develop others while profit entrepreneur in ability to monitor. Helping and Human Service cluster does not exist in profit entrepreneur competency model. This research finding on social entrepreneur competency covers threshold competencies i.e. Technical Knowledge and Financial Management, that does not exist in Spencer and Spencer's profit entrepreneur competency model. Compared to Social Worker, similarities arise in ability to influence others, develop others, cooperation, interpersonal understanding, and affiliate interest.

The differences are in entrepreneurship cluster and in impact and influence cluster, which Social Worker model only shows initiative and does not show networking capability. A distinct result of this research compared to previous researches and competency models is social entrepreneurs orientation to help and serve others. They do not only have interpersonal understanding/empathy but orientation to help and serve others which drives them work together with community to solve social problems. This discussion show that social entrepreneur has a specific competency model differ from other jobs and profit entrepreneur competency models.

The study results show that ten out of sixteen competencies are in the category of motives, traits, values and attitudes. Most of the distinguishing competencies are also in this category. This means that to be successful in growing social business one needs to have those personal characteristics. To be able to gain these characteristics the development curriculum, method and sources might be different with acquiring knowledge and skills.

Conclusion

Study of successful social entrepreneurs in Indonesia indicates that a specific competency model for social entrepreneurs is existed. Thus the research finding adds Spencer & Spencer (1993) five generic competency models with a new model which is Social Entrepreneur Competency Model. Results of this study show major similarities of social entrepreneur personal characteristics with concepts of social entrepreneur characteristics which are developed in Western countries. This indicates that competency model of social entrepreneurs is existed regardless cultural contexts. As this research is limited to successful social entrepreneurs working in rural development in Indonesia, studies in other field will be beneficial to test the proposed model. Research of effective (less successful) entrepreneurs in the same context of this study is also needed to further test the model.

The research results also show that to be succesful, a social entrepreneur does not need to be skillsfull in all functional competencies cover production/operation, financial, sales and marketing of its economic activities. However, a competent team in these areas is necesary. On the other hand, capability in people management especially in developing team and community and knowledge on the importance of financial management is fundamental for social entrepreneurs.

This study brings implication on entrepreneurship (social and profit business) education and development. To develop social entrepreneurs to be successful in their business the curriculum needs to concentrate on materials for developing social entrepreneurship attitudes, values and motivation because majority of successful social entrepreneur competencies are these types of competencies. Different development methods should be applied, instead of using methods for developing knowledge and skills. Some traits (affiliate interest, initiative) also appear as social entrepreneurs distinguishing competencies. Since traits are deep in the center of personality it would be difficult to develop in adulthood and might need to be addressed in early human development stage through early formal and informal education although traits development in adulthood would be an interesting area of research.

References

- Ahmad, Noor Hazlina., T. Ramayah., Wilson, Carlene., Kummerow, Liz. (2010). Is entrepreneurial competency and business success relationship contingent upon business environment? A study of Malaysian SMEs. *International Journal of Entrepreneurial Behavior & Research*, 16 (3), pp.182-203
- Ashoka. *What is a Social Entrepreneur?* Retrieved from www.ashoka.org/social_entrepreneur.
- Baxter, P. and Jack, S. (2008). Qualitative Case Study Methodology: Study Design and Implementation for Novice Researchers. *The Qualitative Report*, 13, 544-559.
- Bornstein, David., Davis, Susan. (2007). *Social Entrepreneurship: What Everyone Needs To Know?* Retrieved from <http://ashoka.org/wp-content/uploads/2010/12/Social-Entrepreneurship-What-Everyone-Needs-to-Know-Teaching-notes-final.pdf>.
- Boyatzis. (2007). Competencies in the 21st century. *Journal of Management Development* (27(1) pp. 5-12.
- Brock, Debbi D., Steiner, Susan D. (2009). Social Entrepreneurship Education: Is It Achieving The Desired Aims? *SSRN Electronic Journal* DOI: 10.2139/ssrn.1344419
- Coburn, J. Risdijk, Rick. (2010). *Evaluating the Success Factors for Establishing a Thriving Social Enterprises in Scotland*. Scottish Government Social Report. Retrieved from www.scotland.gov.uk
- Cripe, Edward J. (2012) *Competency Development Guide* 5th ed. Workitect Inc.
- Dees, J. Gregory. (1998, 2001). *The Meaning of Social Entrepreneurship*. Retrieved from <https://centers.fuqua.duke.edu/case/>
- DTI, The United Kingdom. (2002). *Social Enterprise: A Strategy for Success*. Retrieved from http://www.dti.gov.uk/socialenterprise/strat_success.htm.
- Drayton, William. (2011). *Collaborative Entrepreneurship, How Social Entrepreneurs Have Learned to Tip the World by Working in Global Teams*, Spring Edition of Innovations, MIT Press with Harvard University and George Mason University
- Elkington, John; Hartigan, Pamela. (2008). *The Power of Unreasonable People, How Social Entrepreneurs Create Markets That Change the World*. Boston, Massachusetts: Harvard Business Press.
- Ennis, Michelle R. (2008). *Competency Models: A Review of the Literature and The Role of the Employment and Training Administration (ETA). Pilots and Demonstration Team Division of Research and Evaluation Office of Policy Development and Research Employment and Training Administration*. Retrieved from <https://wdr.doleta.gov/research>
- Ferri, Elisabet. (2011). *Social Entrepreneurship and Environmental Factors: A Cross-Country Comparison*. Research Work International Doctorate in Entrepreneurship and Business Management, Universitat Autònoma de Barcelona
- Gerli, Fabrizio; Gubitta, Paolo; Tognazzo, Alessandra. (2011). *Entrepreneurial competencies and firm performance: an empirical study*. Paper presented at VIII International Workshop on Human Resource Management
- Melissa Ip. (2012). Teaching Social Entrepreneurship. Retrieved from <http://www.socialenterprisebuzz.com/2012/12/11/teaching-social-entrepreneur-ship/2/>.
- Miles, Matthew B., Huberman, A. Michael. (1994). *An Expanded Sourcebook Qualitative Data Analysis*, 2nd edition. Sage Publications.
- Miles, Matthew B., Huberman, A. Michael, Saldana, J. (2014). *Qualitative Data Analysis, A Methods Sourcebook*. 3rd edition. Sage Publications.

- Miller, Toyah L., Wesley II, Curtis L., Williams Denise E., (2012). Educating the Minds of Caring Hearts: Comparing the Views of Practitioners and Educators on the Importance of Social Entrepreneurship Competencies. *Academy of Management Learning and Education* 11:3, 349-370;
- Mitchelmore, Rowley. 2010. Entrepreneurial competencies: a literature review and development agenda. *International Journal of Entrepreneurial Behavior and Research* 16 (2), pp 92-111. Emerald Publishing Ltd.
- Mitchelmore, Rowley. (2013). Entrepreneurial competencies of women entrepreneurs pursuing business growth. *Journal of Small Business and Enterprise Development*, 20(1) pp. 125-142
- Moleong, Lexy J. (2006) Qualitative Research Methodology, revised ed. Bandung, Indonesia: PT Remaja Rosdakarya.
- Martin, Roger L., Osberg, Sally. Social Entrepreneurship: The Case for Definition. *Stanford Social Innovation Review*. Retrieved from <http://www.ssireview.org/articles/>
- Orhei, Loredana Elisabeta., Nandram, Sharda., Vinke, Joop (2015). Social Entrepreneurship Competency, Evidence from founders of Social Enterprise in Rumania International. *Journal on Entrepreneurship and Small Business*, 25 (1).
- Ospina, Sonia. (2006). Seeking Success in Social Enterprise: Smart Practices by Social and Business Organizations in Iberoamérica, *Harvard Review of Latin America*, Fall 2006.
- Sánchez, José. (2012). The influence of entrepreneurial competencies on small firm performance. *Revista Latinoamericana de Psicología* 44 (2), pp.165-177
- Sarwoko, Endi., Surachman., Armanu., D., Hadiwidjojo, Jumilah D. (2013). Entrepreneurial Characteristics and Competency as Determinants of Business Performance in SMEs, *IOSR Journal of Business and Management* 7 (3) pp 31-38. Retrieved from www.iosrjournals.org
- Schwab Foundation, *What is a Social Entrepreneur*. (Retrieved from www.schwabfound.org/content/what-social-entrepreneur)
- Sepulveda, Leandro.(2009). *Outsider, missing link or panacea? Some reflections about the place of social enterprise (with) in and in relation to the third sector*. Working paper 15, Third Sector Research Center
- Spencer, Lyle M., Spencer, Signe, M. (1993). *Competence at Work*, New York: John Wiley and Sons, Inc.
- Steinman, Susan. (2010). An Exploratory Study into Factors Influencing an Enabling Environment for Social Enterprise in South Africa, International Labor Organization. (Retrieved from <https://www.researchgate.net/publication-/267549581>)
- Thomas, Joseph., Ramakrishna, Reddy. 2013. *Evaluation of Social Entrepreneurship Program in India* (Retrieved from <http://villgro.org/assets/img/Resource/research/>)
- Tomasko, Robert M. (2012). *Developing Social Entrepreneurship Program, Lesson from a New International Relations-School based Masters Program* (Retrieved from <https://www.american.edu/sis/socialenteprise>)
- Wahl, Hans H. (2012). *Social Economy 4.0, Innovation, Sustainability, and Responsibility*, A discussion Paper for the Jakarta Social Entrepreneurship Conference, INSEAD Social Entrepreneurship
- Whiddett, Steve., Hollyforde, Sarah (2000). *The Competencies Handbook*, London: Charter Institute of Personnel and Development.
- Worsham, Erin L. (2012) Reflections and Insights on Teaching Social Entrepreneurship: An Interview With Greg Dees. *Academy of Management Learning & Education* 11 (3) pp 442-452. <http://dx.doi.org/10.5465/amle.2011.0024>

- Yin, Robert K. (2014). *Case Study Research, Design and Methods*, 5th ed. Thousand Oaks, CA: Sage Publications.
- Yunus, Muhammad and Weber, Karl (2011) *Building Social Business: The New Kind of Capitalism That Serves Humanity's Most Pressing Needs*, Indonesian edition, Jakarta, Indonesia: PT Gramedia Pustaka Utama.
- Zwell, Michael. (2000). *Creating a Culture of Competence*. New York: John Wiley and Sons, Inc.