

SOCIAL ENTREPRENEURSHIP INTENTIONS AMONG UNIVERSITY STUDENTS IN UZBEKISTAN: A CASE OF TSUE

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Abstract

The purpose of the study is to identify social entrepreneurship intentions among university students in Uzbekistan focusing on the Tashkent State University of Economics(TSEU) as a study area. A 47 item questionnaire was distributed to 371 students of TSUE students in Uzbekistan by using convenience sample method. From a total of the 371 respondents, 278 (74.93%) were male, 93 (25.07%) were females and the average age of the respondents was approximately 22 years. The result indicates that the model in this study accounts for 67,7% of the variance in interpreting the social entrepreneurship intention. This study makes a contribution to the social entrepreneurship research area by including factors such as risk taking propensity, internal locus of control, moral obligation, self-efficacy and empathy as antecedents of the theory of planned behavior that also explains social entrepreneurial intention formation.

Keywords: Risk taking propensity, Internal locus of control, Moral obligation, Social self-efficacy Empathy, The theory of planned behavior, Social entrepreneurship

I . The essence and concept of social entrepreneurship

It is not exactly known when the term “social entrepreneurship” was used first, but it was likely in an academic publication by William N. Parker in 1954. He reported in an article published by The Journal of Economic History about a distinct form of entrepreneurship in Germany.

The concept of social entrepreneurship is not novel and possesses long time of origin. However, the term came into widespread some decades ago (Austin et al., 2006).

Some researches states that social entrepreneurs were always existed, although they were not called in this term(Dees, 1998). “But in the past they were called visionaries, humanitarians, philanthropists, reformers, saints, or simply great leaders” (Bornstein & Davis, 2010)

The concept of social entrepreneurship is multifaceted and incorporates a wide range of tasks and features inherent in it. This social phenomenon has arisen at the intersection of social and economic systems, therefore the priority for this type of business is not the extraction of profit, but the solution or mitigation of existing social problems. The stability and measurability of the achieved social results is of decisive importance in the course of socio-entrepreneurial activity.

Social entrepreneurship can be defined as an application of venture business methods to develop, finance and implement innovative solutions to social as well as cultural problems. In this aspect, social entrepreneurship approaches with the voluntary (non-profit, volunteer) sector (Dees, 1998). The concept of social entrepreneurship can be applied to a wide range of organizations of different sizes, pursuing different

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goals, professing different beliefs (Dees, 1998).

If business entrepreneurs, as a rule, assess the success of their activities, focusing on profit, sales (sales volume) or share price, then for the social entrepreneur the main criterion of success is "social returns" (Thompson, 2002). The profit can also be taken into account, but not as an end in itself, but rather as a means for further progress towards the achievement of the social or cultural goals of the organization.

Social entrepreneurship as a profession and a domain for study was first introduced by Gregory Dees, director of the Center for the Development of Social Entrepreneurship at Duke University, in the late 1990s. In his articles he notes that social entrepreneurship "touched the living" and "very approached" the modern era has become popular and therefore has become very popular (Dees, Emerson & Economy, 2001).

The idea of social entrepreneurship differs markedly from the foundations of traditional entrepreneurship, but there are a number of similarities between these types of business activity. As early as the beginning of the 19th century, French economist-classicist Jean Baptiste Sei defined the entrepreneur as a person who "accepts" an idea and transforms it in such a way that it begins to change society (Martin, & Osberg, 2007). Then, Sei characterizes the entrepreneur as one who "moves economic resources from the area of less productivity to a region of greater productivity and income" (Martin, & Osberg, 2007). If a business entrepreneur (for example, Henry Ford, Steven Jobs) changes the productivity of traditional economic resources, a social entrepreneur changes the productivity of the whole society, as management theorist Peter Drucker points out (Martin, & Osberg, 2007).

The concept of a "social enterprise" has two different interpretations: one applied in European countries and another one in the United States. Studying the differences in these definitions, it can be noted a more widespread use of this term in the American scientific and practical environment with a focus on the concept of "enterprise" - making profit. Within the framework of this understanding, it could be included to social enterprises: commercial organizations engaged in socially useful activities (corporate charitable organizations and those claiming social responsibility of business) and dual-purpose enterprises (combining commercial and social functions in their activities, so-called non-profit

organizations engaged in commercial activities with the goal of achieving social effect). In the European sense, a "social enterprise" is an innovative approach in solving social problems, acquiring by the organization as business develops (Grenier, 2003), implemented mainly through non-profit organizations, with the possibility of being used in the commercial sector (Nicholls, 2005). In some countries of Europe, the interpretation of the concept of "social enterprise", is used as the synonymous term "social cooperatives". "Social cooperatives" are organizations created by certain categories of citizens that have legislatively fixed norms and restrictions, as well as principles of activity. Based on the definitions, we can give a mixed interpretation - "corporate social responsibility" takes into account the interests of society, the responsibility of the organization for the impact of its activities on customers, suppliers, employees, shareholders, local communities and other concerned sides in the public sphere, and other additional measures for improvement of the quality of life of workers and their families, as well as the local community and society as a whole.

Thus, the analysis of foreign experience has shown that in the context of globalization, social entrepreneurship has swept all countries, and in many has already become a full-fledged economic institution. In Uzbekistan, however, the unification of the efforts of business, society and the state in the development of social projects began to develop very recently. In order not to lag behind the world community, it is necessary to take into account all stages of the development of social entrepreneurship and pay attention to the right protection of this type of activity, the development of local communities and initiatives, as well as public-private partnership.

II. Development of social entrepreneurship in Uzbekistan

The history of the development of social enterprises in the Republic of Uzbekistan dates back to the 30s of the XX century and is associated with public organizations of people with disabilities.

70's-80's of the 20th century accounted for the greatest flourishing of these enterprises. In 1987, the number of training and production enterprises (TPE) in the disabled,

blind, deaf societies in the country exceeded 700 units. Enterprises were created with the main goal to ensure employment of people with disabilities who are not able to find employment in the open labor market. Moreover, the profit attributed by the subsidiaries allowed many public organizations of disabled people to refuse from state subsidies and move on to sustainable self-sufficiency and self-financing.

Nowadays, the number of these enterprises has decreased to less than two hundred, but they continue to play a significant role in providing employment for people with disabilities. The number of people with disabilities employed in enterprises under disabled societies is about 2500, or about 8% of all disabled people working in the official sector of the economy of the country.

The term a "social enterprise" cannot be found in Uzbekistan legislation, but since 2010 when UNDP with the Ministry of Labor and Social Protection of the Population of the Republic of Uzbekistan launched a joint project on the development of social enterprises, it has become widely used in discussing employment issues for people who cannot compete and work independently in the normal labor market environment, as well as issues of ensuring financial stability of NPOs. Pilot social enterprises have been established in various organizational and legal forms: subsidiary economic structures for disabled societies, subsidiaries with NPO, LLC, private enterprise, state unitary enterprise. These enterprises include a dairy shop and a bakery in Jizzakh province, a shoe-making company in Samarkand province, sewing and embroidery enterprises in Shakhrisabz, Tashkent, Nukus cities as well as an enterprise for the production of construction mixtures in Tashkent city. For instance, the subsidiary company situated in Jizzakh region "Lochin Al Baraka" under the NPO "Istikbolli avlod" which produces bakery products was established in cooperation with the UNDP and municipal government of Jizzakh province in 2010 with the purpose of employment and social rehabilitation of women affected as a result of human trafficking.

On the example of these pilot social enterprises, their social and economic benefits to the state and society were analyzed, and relevant recommendations, such as, to what extent the existing legislation and the institutional environment contribute to the development of them, were provided. The UNDP supported the creation of a network of social enterprises in Uzbekistan, held the First National Exhibition of Social

Enterprises, which allowed the establishment of information exchange and mutual support between social enterprises in the country.

In Uzbekistan, there will soon be hold a fair of social ideas and projects, an international conference "Social Entrepreneurship and NPOs: the experience of Uzbekistan and foreign practice", as well as regional and national stages of the annual National forum of NPOs of Uzbekistan.

III. The theory of planned behaviour

The theory of planned behavior (TPB) is an extended model of the theory of reasoned action (TRA) (Ajzen, 1991:181). Ajzen emphasized in his theory that intention is the most superior predictor of the behavior. According to Ajzen, individuals' intention to commit one action depends on three determinants. These are attitude towards behavior (ATB), subjective norm (SN) and perceived behavioural controls (PBC). Attitude towards the behavior is described as individual's affirmative or negative assessment to a particular behavior. Subjective norm refers "the perceived social pressure to perform or not to perform a particular behaviour" (Ajzen, 1991, p.188). The latter "perceived behavioural control refers to the perceived ease or difficulty of performing the behaviour of interest...and it is assumed to reflect past experience as well as anticipated impediments and obstacles" (Ajzen, 1991, p.188).

Numerous researchers have actively applied this model while studying students' entrepreneurial intention. (Autio et al., 2001; Van Gelderen et al., 2008; Gird & Bagraim, 2008). It took 2 years for the TPB to be applied in the entrepreneurship. Krueger and Carsrud (1993) were first to propose an application of the theory in the business entrepreneurship domain and Kolvereid (1996b) was first to test it.

Thus, based on the existing literature on entrepreneurial intentions, the theory of planned behavior model is going to be used as a theoretical framework in identifying social entrepreneurship intentions among university students in Uzbekistan focusing on the Tashkent State University of Economics as a study area.

IV. A research model and hypotheses

Based on the theoretical contributions to explaining social entrepreneurship, the research model is presented in Figure 1.

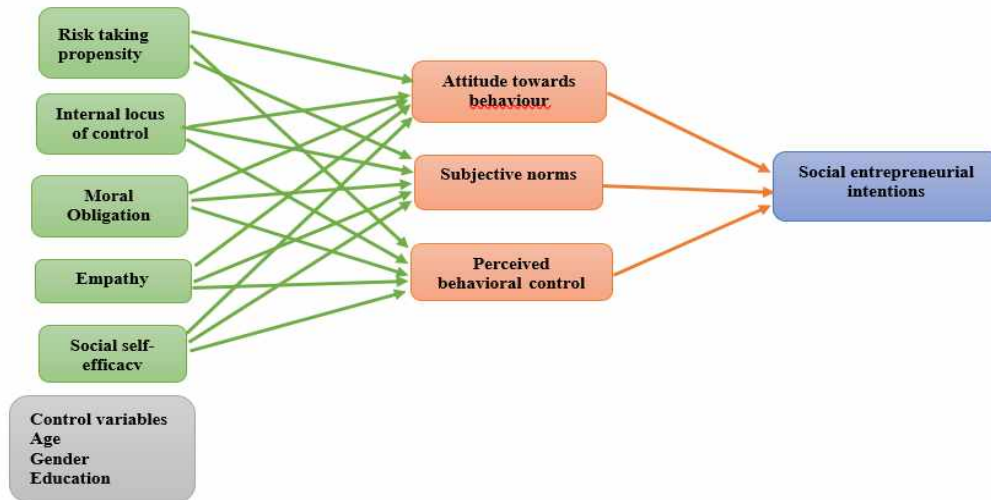


Figure 1. The Research Model.

Based on the theory and the model above, following hypotheses are set for the empirical analyses in this paper:

- Hypothesis 1 Attitude towards behavior(ATB) has a positive effect on social entrepreneurial intentions
- Hypothesis 2 Perceived behavioral control(PBC) has a positive effect on social entrepreneurial intentions
- Hypothesis 3 Subjective norms(SN) have a positive effect on social entrepreneurial intentions
- Hypothesis 4a Risk taking propensity(RTP) has a positive effect on the attitude towards behavior
- Hypothesis 4b Risk taking propensity(RTP) has a positive effect on the perceived behavioral control
- Hypothesis 4c Risk taking propensity(RTP) has a positive effect on the subjective norms
- Hypothesis 5a Internal locus of control(ILC) has a positive effect on the attitude towards behavior
- Hypothesis 5b Internal locus of control(ILC) has a positive effect on the perceived behavioral control
- Hypothesis 5c Internal locus of control(ILC) has a positive effect on the subjective norms
- Hypothesis 6a Moral Obligation(MO) has a positive effect on the attitude towards behavior

- Hypothesis 6b Moral Obligation(MO) has a positive effect on the perceived behavioral control
- Hypothesis 6c Moral Obligation(MO) has a positive effect on the subjective norms
- Hypothesis 7a Empathy(E) has a positive effect on the attitude towards behavior
- Hypothesis 7b Empathy(E) has a positive effect on the perceived behavioral control
- Hypothesis 7c Empathy(E) has a positive effect on the subjective norms
- Hypothesis 8a Social self-efficacy(SSE) has a positive effect on the attitude towards behavior
- Hypothesis 8b Social self-efficacy(SSE) has a positive effect on the perceived behavioral control
- Hypothesis 8c Social self-efficacy(SSE) has a positive effect on the subjective norms

Table 1. Demographic characteristic of respondents

Variables	Category	Frequency	Percentage (%)
Gender	Male	278	74.93
	Female	93	25.07
Age	17 ~ 22	244	65.8%
	23~26	121	32.6%
	27~37	6	1.6%
Field of study	Accounting and audit	58	15.6%

	Management	104	28%
	Economics	78	21%
	Statistics	56	15.1%
	Banking	28	7.5%
	Marketing	16	4.3%
Year of study	1st year	25	6.7%
	2nd year	64	17.3%
	3rd year	262	70.6%
	4th year	20	5.4%
Employment status	Employed	97	26.1%
	Unemployed	238	64.2%
	Self Employed	36	9.7%

4.1 The data analysis process

Moving go the data analysis, three steps were taken: construct development, item quality analysis and multiple

linear regressions. In the case of construct development, an initial factor analysis was run to obtain first indications of item groups. After that, tests of reliability and validity were run for each construct, until its final configuration was obtained – based on Cronbach’s alpha, and checking single factor extraction within factor analysis. Once the constructs were completed, final values on validity and reliability were obtained – checking Cronbach’s alpha, single factor extraction, item discrimination and item-to-item correlation. Additionally, the quality of the items was tested based on the difficulty of the items, looking at the mean and standard deviation, and reviewing the graphic of data distribution. Passing these previous tests, constructs were ready for regressions to test each developed hypothesis.

Table 2. Principal components analysis with varimax rotation of Social Entrepreneurial Antecedents Scale itmes

	Component				
	Mean	SD	Empathy	Social self-efficacy	Moral obligation
When thinking about socially disadvantaged people.I try to put myself in their shoes	3.75	1.127	.741	.238	.140
Seeing socially disadvantaged people triggers an emotional response in me.	4.05	.969	.885	.044	.114
I feel compassion for socially marginalized people.	4.15	.948	.758	.025	.220
I am convinced that I personally can make a contribution to address societal challenges if I put my mind to it.	3.92	1.024	.138	.765	.046
I could figure out a way to help solve the problems that society faces	3.88	.894	-.002	.766	.243
Solving societal problems is something each of us can contribute to.	4.18	.876	.124	.783	.092
We are morally obliged to help socially disadvantaged people	3.81	1.114	.246	.147	.836
Social justice requires that we help those who are less fortunate than ourselves	3.79	1.095	.164	.168	.858
Eigenvalue			3.075	1.459	1.276
% of Variance			38.444	18.233	12.206
% of Cumulative Variance			38.444	56.677	68.883
Cronbach’s α			0.749	0.692	0.738

Eigenvalues and the percent variance explained are after varimax rotation. Kaiser - Meyer - Olkin measure of sampling adequacy=0.734.

Table 3. Principal components analysis with varimax rotation of Social entrepreneurial intention scale items

	Component					
	Mean	SD	Social entrepreneurship intention	Attitude towards behavior	Subjective norms	Perceived behavioral control
My aim is to become a social entrepreneur in the future	3.64	1.275	.782	.265	.082	.014
I am going to make a living as a social entrepreneur	3.25	1.364	.842	.127	.086	.051
For me, social entrepreneurship is a probable career choice	3.32	1.249	.742	.058	.147	.204
Being an entrepreneur implies more advantages than disadvantages to me	3.94	1.037	.026	.714	.086	.214

A career as entrepreneur is attractive for me .	4.02	1.016	.259	.784	.165	.171
If I had the opportunity and resources, I would like to start a business	4.25	.991	.054	.815	.141	-.051
Being an entrepreneur would entail great satisfactions for me	4.04	1.074	.107	.827	.059	.084
Among various options, I would rather be an entrepreneur	3.75	1.167	.327	.618	.144	.058
People who are important to me think I should start a business	3.56	1.234	.172	.144	.875	.129
People who are important to me would approve that I start my own business	3.69	1.122	.186	.139	.872	.126
It would be easy for me to start my own business	3.21	1.185	.066	.100	.164	.846
I have the skills and capabilities required to succeed as an entrepreneur	3.44	1.150	.194	.117	.073	.840
Eigenvalue			4.432	1.556	1.341	1.105
% of Variance			36.933	12.965	11.176	9.207
% of Cumulative Variance			36.933	49.898	61.074	70.282
Cronbach's α			0.756	0.841	0.799	0.693

Eigenvalues and the percent variance explained are after varimax rotation. Kaiser - Meyer - Olkin measure of sampling adequacy=0.794.

Table 4. Principal components analysis with varimax rotation of Social Entrepreneurial Antecedents Scale itmes

	Component			
	Mean	SD	Internal locus of control	Risk taking propensity
When I make plans I am almost certain I can make them work	3.78	.998	.631	.106
When I get what I want it is usually because I worked hard for it	3.78	1.051	.758	.134
I have enough control over the direction of my life	4.16	.971	.778	.095
Whether or not I am successful in life depends mostly on my ability	4.16	1.012	.588	.051
When I travel I tend to use new routes	4.07	1.128	.091	.875
I like to try new things e.g. exotic food or going to new places	4.10	1.139	.148	.859
Eigenvalue			2.271	1.229
% of Variance			37.857	20.487
% of Cumulative Variance			37.857	58.344
Cronbach's α			0.648	0.697

Eigenvalues and the percent variance explained are after varimax rotation. Kaiser - Meyer - Olkin measure of sampling adequacy=0.669.

Table 5. Results of multiple regression

Hypothesis	Direction of hypothesis	Standardized Coefficient β	Sig.	Tolerance	VIF	Decision
H1	ATB → SEInt	.287	.000	.806	1.241	Supported
H2	PBC → SEInt	.113	.023	.851	1.175	Supported
H3	SN → SEInt	.174	.001	.812	1.232	Supported
H4a	RTP → ATB	.174	.000	.921	1.086	Supported
H4b	RTP → PBC	.037	.446	.991	1.009	Rejected
H4c	RTP → SN	.058	.230	.991	1.009	Rejected
H5a	ILC → ATB	.156	.002	.856	1.169	Supported
H5b	ILC → PBC	.182	.000	.897	1.115	Supported
H5c	ILC → SN	.124	.011	.912	1.097	Supported
H6a	MO → ATB	.089	.093	.879	1.137	Rejected
H6b	MO → PBC	.128	.012	.879	1.137	Rejected
H6c	MO → SN	.212	.000	.872	1.147	Supported
H7a	E → ATB	.072	.161	.930	1.076	Rejected
H7b	E → PBC	.140	.004	.910	1.099	Supported
H7c	E → SN	.087	.081	.930	1.076	Rejected
H8a	SSE → ATB	.217	.000	.915	1.093	Supported
H8b	SSE → PBC	.296	.000	.873	1.146	Supported
H8c	SSE → SN	.247	.000	.822	1.216	Supported

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