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SOCIAL ENTREPRENEURSHIP AS DRIVER FOR INCREASING SOCIAL INNOVATION

Introduction. *One of the directions of strengthening the social component in the context of sustainable development is the spread of social innovations. The processes of generation and production of innovations should be considered through activating social development, innovating activity of enterprises, and social entrepreneurship that primarily focuses on achieving a social effect in society.*

Problem Statement. *It is expedient to activate the development of social innovations based on a detailed study of the prerequisites through regional programs to support social entrepreneurship, taking into account the resource capabilities and peculiarities of the functioning of the regions. Social entrepreneurship generates economic, environmental, and social values.*

Purpose. *Research the prerequisites, problems, and prospects for the development of social entrepreneurship as one of the drivers of the activation of social innovations in the conditions of modern geopolitical and socio-economic challenges.*

Material and Methods. *There have been used the methods of analysis, synthesis, comparison, structural, functional, system, statistical analysis, and integration.*

Results. *The results of monitoring the activities of social enterprises in the EU countries have been analyzed. The prerequisites and trends of the development of innovative and social entrepreneurship in Ukrainian territories have been studied based on the proposed integral index of the ability of regions to do social entrepreneurship and socially responsible and innovating business.*

Conclusions. *The importance of social entrepreneurship in solving social needs in the country and activating social innovations has been proven. Geopolitical, socio-economic, and institutional challenges of recent years have become a powerful impetus for the activation of social entrepreneurship in Ukraine.*

Keywords: social innovations, social enterprise, and sustainable development.

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In recent years, there has been an increase in the attention of the scientific community to the social innovations, which is due to their importance for society. The study of the essential characteristics, the possibilities of applied dissemination and implementation in public life shows that the main drivers of social innovations activation are the civil environment and socially-oriented entrepreneurship. Social innovations generated by social entrepreneurship are of paramount importance for the development of the nonprofit (civil) sector, the development of regions and the country, and they contribute to solving social needs.

Social entrepreneurship is one of the drivers of social innovation, since the ultimate goal of the social enterprise functioning is the creation of social value. This is a way of interaction between business and society, the purpose of which is full or partial exemption from financial subsidies and economic benefits for high-quality social transformations. The innovativeness of social entrepreneurship manifests itself in a modified ratio of social value and economic benefit, which is formed through the financial result of social relations [1–3; 4, p. 69].

The scientific works of many Ukrainian and foreign scientists (I. Bosak, V. Gavrylova, M. Golub, Ye. Kovalenko, A. Kozhemyachenko, K. Koks, J. Lorti, J. Lopez, Ch. Sampaio, J. R. Sebastian, A. Solosich, I. Sotnyk, S. Sergienko, A. Tolstova, L. Farinha and others) are devoted to the development of social entrepreneurship, social orientation of innovation and social innovations. However, the study of social entrepreneurship as an imperative for the development of social innovation requires more attention.

Social entrepreneurship manifests itself in a broader understanding of the traditional way of doing business through corporate social responsibility of business and social security of personnel. The primary social orientation of this type of entrepreneurship enables us to assert the expediency of its research from the standpoint of the development of social innovations focused on high-quality social development.

It is worth emphasizing the scientific discussions on the feasibility of identifying or, on the contrary, highlighting the essence of “social entrepreneurship” and “social business” [2; 5–8], as well as what is of the highest priority in the activities of social enterprises: profit orientation or social goal. In our opinion, the most objective are the studies of the Organization for Economic Cooperation and Development (OECD), continued by M. Golub, O. Solosich and O. Kozhemyachenko, who highlight the American and European models of social entrepreneurship. The first model can exist through various legal forms, but a characteristic feature of American social entrepreneurship is the focus on financial performance and profits, which often lead to the neglect of the social component. The European model is not primarily focused on profitability, but focuses on the social mission and the effect of it. In these circumstances, active support from the state is expected in the form of benefits and subsidies. Assistance mainly manifests itself in the improvement of the institutional framework, on the basis of which there is developed the state policy for the promotion of social entrepreneurship [2; 9, p. 143]. In general, the European model has been popularized in Ukraine. According to it, social entrepreneurship has four clear criteria [10, p. 702]: a business; social purpose is what this business is working for; distribution of profits, where it is clearly defined how much interest will go to the social goal; democratic governance.

Regardless of the type of social entrepreneurship model, scientists and practitioners emphasize the importance of its stimulation by the state and the granting of special privileges in order to support social initiatives [11; 12, p. 105–106; 13, p. 258–259]. The increase in the contribution of social enterprises to sustainable development should be ensured by favorable legal regulation of their activities at the national level. The study [14, p. 442] has shown that there is a connection between the level of economic development of countries and the social and environmental conditions within the state. The key tool for the acti-

vation of social entrepreneurship is state support in the form of nationwide strategic documents, programs for the initiation and activation of social enterprises, and the preferential lending system. Regional social entrepreneurship support programs must take into account the resource capabilities of each region, internal and external features of functioning. At the local level, the development of social entrepreneurship generates economic, environmental, and social values. In turn, environmental and social values can produce economic benefits in the form of savings in social deductions and environmental tax.

Ukraine's integration into global economic processes necessitates constantly improving the efficiency of enterprises, regardless of their organizational and legal form and ownership structure. The functioning of entrepreneurship, including the social one, is largely influenced by environmental factors that significantly determine the type and culture of doing business and form the features of economic development in general. In this context, it is important to prioritize the non-commercial result of the enterprise's activity, that is, the production of goods or the provision of services with the simultaneous pursuit of economic and social values [15]. Geopolitical, socio-economic, and institutional instability created numerous threats to the creating new social enterprises in Ukraine, while the challenges associated with the COVID-19 pandemic [16] and Russia's military aggression [17], on the contrary, in a certain way intensified the social activity of domestic enterprises. According to I. Bosak, further development of social entrepreneurship will be facilitated [18, p. 158]: (1) modern business environment; (2) information and analytical materials on social entrepreneurship; (3) active public and entrepreneurial position of the population; (4) increasing social responsibility; (5) stimulating the development of economic competition; (6) support of social projects by local authorities, availability of state and regional programs; (7) establishing effective cooperation between local authorities and civil society; (8) improving the system of consul-

ting services and training for social entrepreneurship. The importance of involving business to solve urgent social problems, activation of social entrepreneurship as one of the drivers of activation of social innovations in the context of the concept of sustainable development is relevant and timely.

Monitoring of social entrepreneurship with official statistics does not exist in almost any EU country, most statistical observations are based on reports of individual countries on the state of development of social entrepreneurship. According to the estimates of the European Commission, in 2017 there were about two million social enterprises in Europe (10% of all European businesses), which employed more than 11 million employees (6% of the employed). According to European Social Enterprise Monitoring (ESEM) 2020–2021 data, most social enterprises are concentrated in Germany (46%), Sweden (16%), Spain (11.4%), Croatia (8.1%), Portugal (6%), Denmark (5.3%), Great Britain (4.6%), and Estonia (2.6%). Moreover, numerous social, economic and environmental crises in recent years are increasingly forcing people to join the concept of social entrepreneurship in the context of the sustainable development model. ESEM estimates that around 7 out of 10 social enterprises were founded in the last 10 years, and the average age of social enterprises is 6 years. The majority of European social enterprises are concentrated in the Health and Social Work (24%) and Education (22%) sectors [19]. According to the report of the European Commission [20, p. 105–106], the social enterprises total from several ten thousand in France, Germany, Italy, and Great Britain to several hundred in Albania, Croatia, Denmark, Estonia, and Latvia. The contribution of social business is EUR 37.3 billion, in Italy; EUR 3.5 billion, in the Netherlands; EUR 3.3 billion, in Portugal; 2.3 billion, in Hungary; EUR 1.4 billion, in Ireland; EUR 52.4 million, in Estonia. Social enterprises in EU countries receive resources from the state, government contracts, sales of goods and services, membership fees, donations and other private income.

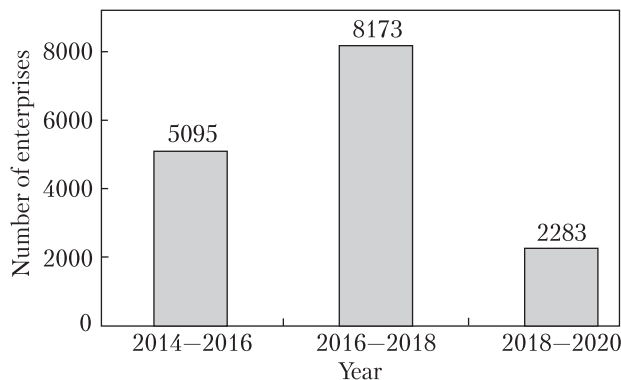


Fig. 1. Dynamics of the number of innovating enterprises in Ukraine in 2014–2020

Source: The diagram is compiled according to [24].

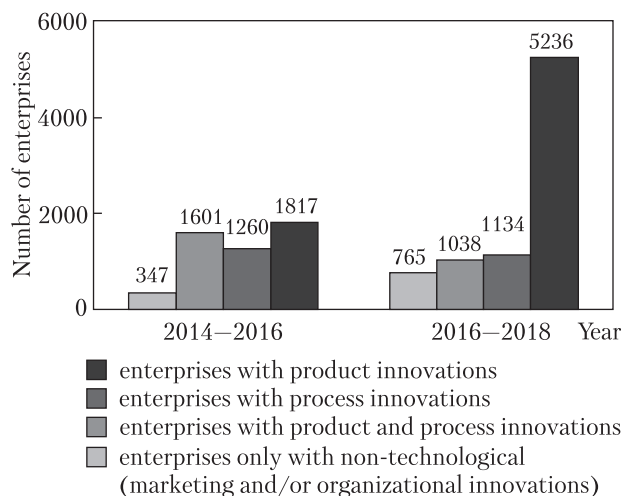


Fig. 2. Innovating activity of enterprises in Ukraine in 2014–2018

Source: calculated according to data [24].

Great Britain is considered the leader in the development of social entrepreneurship, where there are about 70,000 social enterprises that provide work for almost a million Britons. Their combined contribution to the economy is over GBP 24 billion. In 2019, there were 29,535 social enterprises in Poland, in which 428,700 people worked, and in Serbia, according to the data, since 2015, 4273 employees worked in social enterprises (0.25% of the total number of employees in the country).

The main organizational and legal forms of social enterprises in European countries are cooperatives (in particular, social solidarity cooperatives, in Portugal; social collective interest cooperatives, in France; social cooperatives, in Italy; social initiative cooperatives, in Spain, etc.) or companies (for example, public interest companies, in the UK; social purpose companies, in Belgium) [21]. In Poland, the main organizational and legal forms of social entrepreneurship are cooperatives, collectives, joint-stock organizations, credit unions, associations, foundations, as well as limited liability companies (LLCs), but most often social enterprises in Poland are created as social cooperatives and foundations organized in commercial institutions, the main purpose of which is to create opportunities for employment [22].

In Ukraine, the development of social entrepreneurship can be divided into three stages. The first stage (1991–2010), when the first international donors began to implement the concept of social entrepreneurship in Ukraine and took care of the slow but steady development of this sector. The second stage (2010–2016) is characterized by the development of specific programs and the first studies of this topic, which were covered in scientific and practical publications. The third stage (from 2016 to the present day) is characterized by the formation and development of social entrepreneurship [23, p. 145].

An important obstacle to the development of social entrepreneurship in Ukraine is the lack of statistical data at the state, regional, and local levels and the lack of resources for the implementation. Firstly, this is explained by a rather long period of perception and dissemination of these innovations in society, and secondly, the main organizations generating and producing social innovations are nongovernmental organizations, whose financial statements are not controlled by state statistical services.

Let us try to qualitatively and quantitatively assess the activity of social entrepreneurship in Ukraine and the impact on the generation, production and dissemination of social innovations.

In 2014–2020, the number of innovating enterprises significantly went down in Ukraine (Fig. 1): during 2018–2020, it decreased by 55.19% as compared with 2014–2016 and by 72.07% as compared with 2016–2018 [24]. One of the reasons for this decrease is the COVID-19 pandemic, which has had a significant impact on the economies of many countries. Let us take into account that a significant part of innovating enterprises is small business, the adaptability of which to external conditions has significantly deteriorated due to the pandemic.

The innovating activity of enterprises is mainly represented by product, process, marketing and organizational innovations (Figs. 2, 3). During 2014–2018, marketing and organizational innovations prevailed at the enterprises of Ukraine, and in 2016–2018, we have observed their sharp growth (288.17%) along with the growth of product innovations (220.46%). The reduction in the innovating activity of enterprises that have introduced only process innovations and are implementing both product and process innovations is 35.16% and 10%, respectively. The situation radically changes in 2018–2020, primarily due to a change in the method of displaying data (there are distinguished enterprises that have introduced new or significantly improved products, innovation processes, new organizational methods, and new marketing methods) and a significant reduction in all indexes.

Regionally, the highest activity was observed in Kyiv, in 2014–2016 (the share of marketing and organizational innovations is the largest (33.35%)), Dnipropetrovsk and Kharkiv Oblasts (Fig. 4). Structural construction changes in 2016–2018, when the number of enterprises introducing marketing and organizational innovations increases in Dnipropetrovsk, Zaporizhzhia, Kyiv, Lviv, Odesa, and Kharkiv Oblasts, and there is also a rapid growth of these innovations in Kyiv (see Fig. 4). The number of innovating enterprises in each region grows, except for the Rivne Oblast (the decline was 23.36%). Growth in the number of innovating enterprises in 2016–2018 against 2014–2016 is driven by most businesses

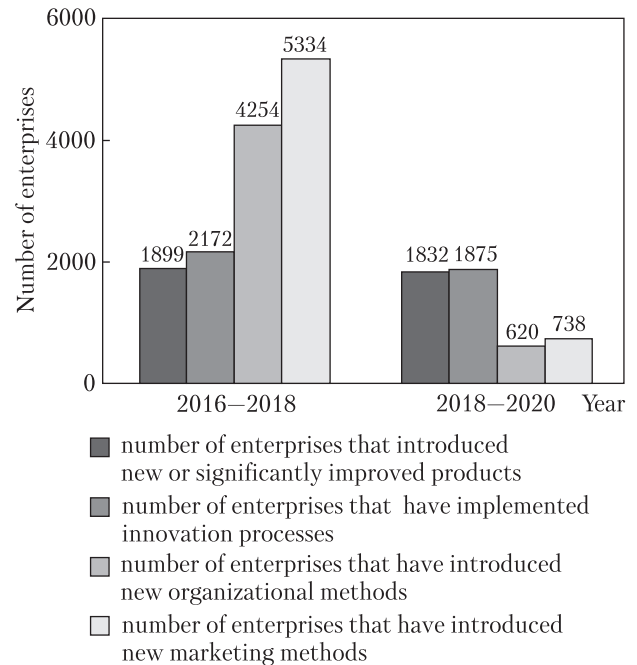


Fig. 3. Innovating activity of enterprises in Ukraine in 2016–2020

Source: calculated according to data [24].

that have introduced marketing and organizational innovations. The innovating activity of enterprises with technological (product and/or process) innovations increased in Donetsk (136.73%), Zakarpattia (132.56%), Kyiv (116.67%), Kirovohrad (124.29%), Sumy (105.8%), Ternopil (127.94%), Khmelnytskyi, and Cherkasy (102.94%) Oblasts, while in other regions there was reported a decline.

Rapid growth of innovating activity of enterprises that implemented marketing and organizational innovations took place in all regions, in the range of 200% to 300%, except for Volhynian (725.00%), Luhansk (437.50%), Cherkasy (653, 85%), and Chernivtsi (406.67%) Oblasts.

In 2018–2020, as compared with 2016–2018, there was a reduction in innovating activity in most regions of Ukraine (Fig. 4). The growth of the number of enterprises that introduced new or significantly improved products (goods, services) took place in Ivano-Frankivsk (109.09%), Kyiv (102.27%), Rivne (133.33%), Khmelnytskyi (110.00%), and

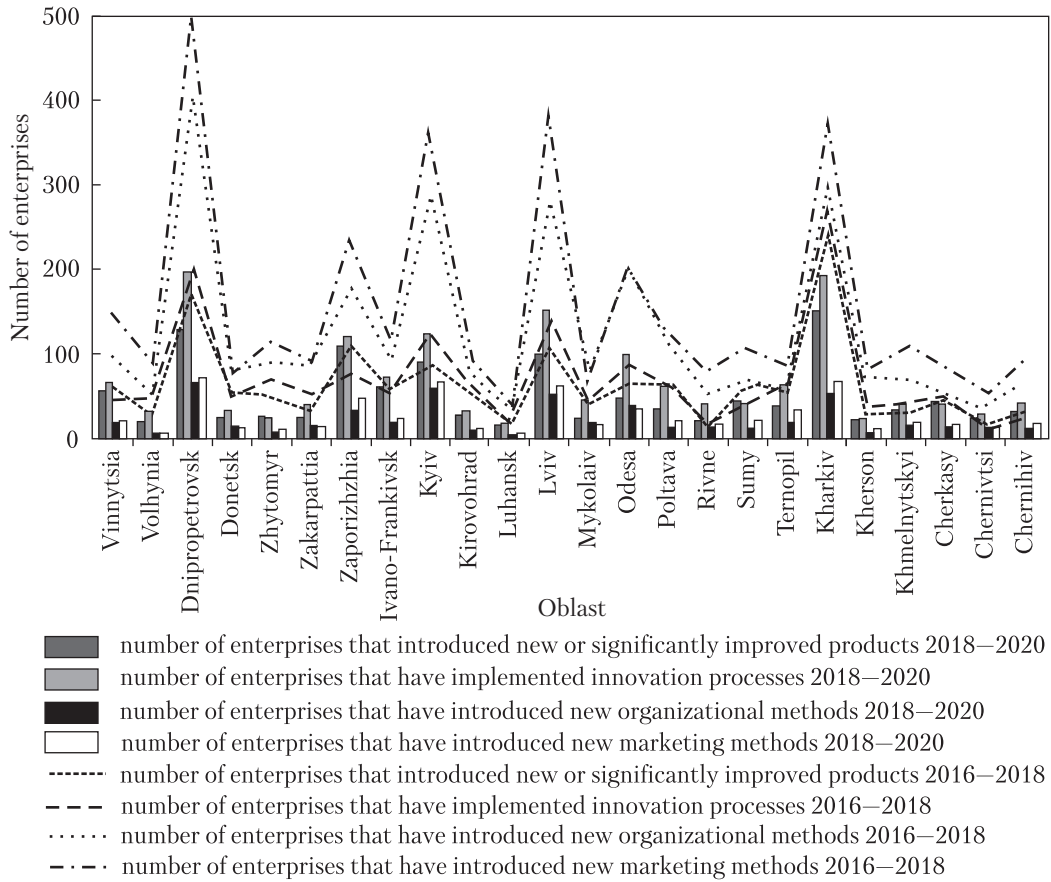


Fig. 4. The geographical structure of innovating activity of enterprises in Ukraine, 2016–2020
 Source: calculated according to data [24].

Chernivtsi (160.00%) Oblasts. Chernivtsi and Rivne Oblasts became the leaders in the implementation of innovation processes at enterprises, where the indexes increased by 211.11% and 166.67%, respectively, as well as the growth of the index was recorded in Vinnytsia (144.44%), Zaporizhzhia (157.89%), Ivano-Frankivsk (133.33%), Lviv (109.42%), Mykolaiv (104.65%), Odesa (113.95%), and Chernihiv (170.83%) Oblasts. The indexes of the number of enterprises that have implemented new organizational methods and new marketing methods have a declining trend in all regions of Ukraine (from 70% to 91%).

There are no statistical observations regarding the number and volume of implemented social in-

novations in Ukraine in the regional context. The available statistics certifying the development of social entrepreneurship is conditional, since the criteria for classifying an enterprise as “social” is still a controversial issue. Based on the most commonly used criteria and current trends in the emergence of new social enterprises, in [25; 26, p. 7] notes the existence of about 1,000 such businesses in Ukraine in 2020. The increase in the number of social enterprises in 2015–2020 (>80%) can be explained by the consequences of the political and geopolitical crisis: the military conflict in the East of Ukraine, the annexation of Crimea, the emergence of categories of people who need social support (internally displaced persons, ve-

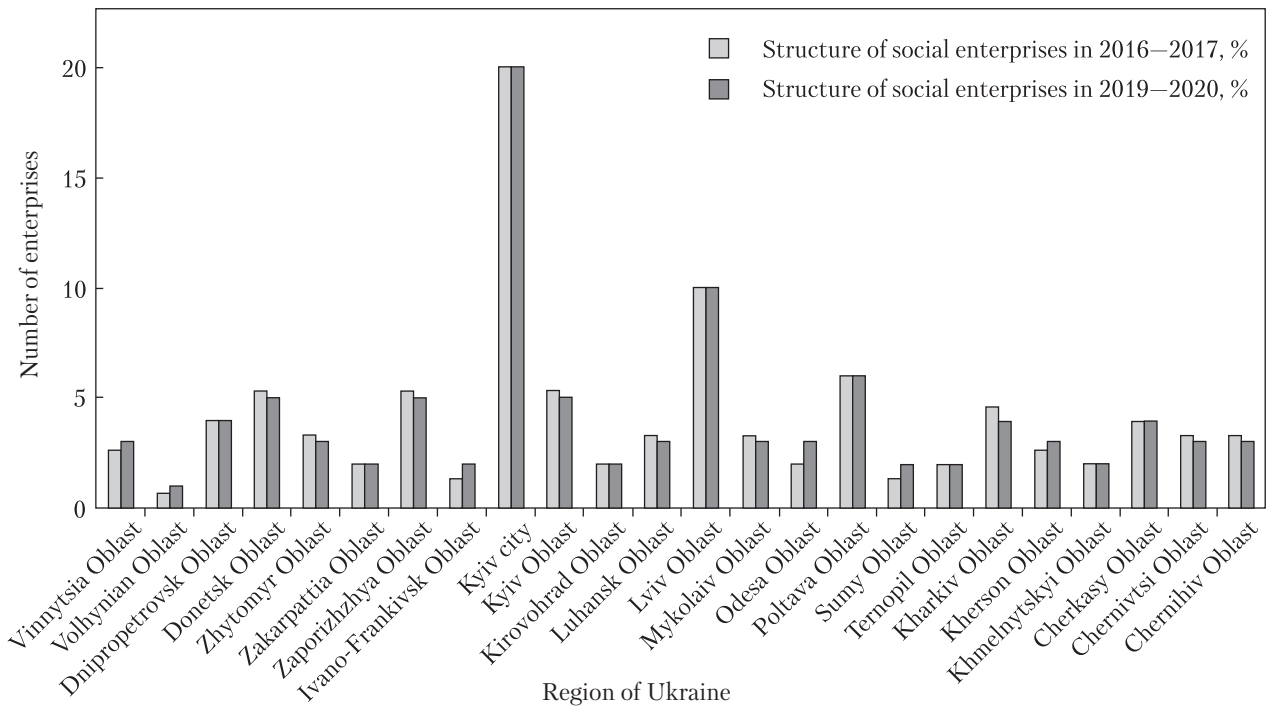


Fig. 5. The geographical structure of social enterprises in the regions of Ukraine, 2016–2020, %
 Source: calculated according to data [25, 26].

terans of the ATO), economic stagnation, inflation. That is why there was an urgent need to find alternative sources of financing and assistance in solving social problems of the most vulnerable categories of citizens. Newly formed social enterprises became a tool for this. Over the past two years, in our opinion, the number of social enterprises has increased as a reaction to the consequences of the COVID-19 pandemic and Russia's military aggression.

The state of enterprises introducing social innovations has been indirectly assessed on the basis of the social enterprises catalog formed within the framework of project *Social Entrepreneurship in Ukraine (2016–2017)* [25], as well as based on the analytical report *Social Entrepreneurship in Ukraine. Economic and Legal Analysis* within the framework of project *EU4Youth – Unveiling the Potential of Young Social Entrepreneurs in Moldova and Ukraine* [26]. The catalog contains organizations that meet at least one of the following

criteria: employment of vulnerable groups of the population (ATO veterans, IDPs, people with disabilities, residents of rural areas, etc.); part or all of the profit from the activity is directed to support the statutory activities of the NGO (non-governmental organization), charitable organization or charitable foundation; part or all of the profit is allocated to finance certain types of services for socially vulnerable groups of the population/support for social, cultural or sports events, and projects.

The largest number of social enterprises is located in Kyiv (20%), Lviv (10%), Poltava (6%), Donetsk (6%), Kyiv (5%), Zaporizhzhia (5%), and Kharkiv (4%) Oblasts. Volhynian Oblast has the fewest social enterprises (Fig. 5). Comparing the data of innovating enterprises in the regions of 2016–2018 and quantitative data of social enterprises in 2016–2017, it should be noted that the leader of innovating and social enterprises is the city of Kyiv, Kyiv and Lviv Oblasts.

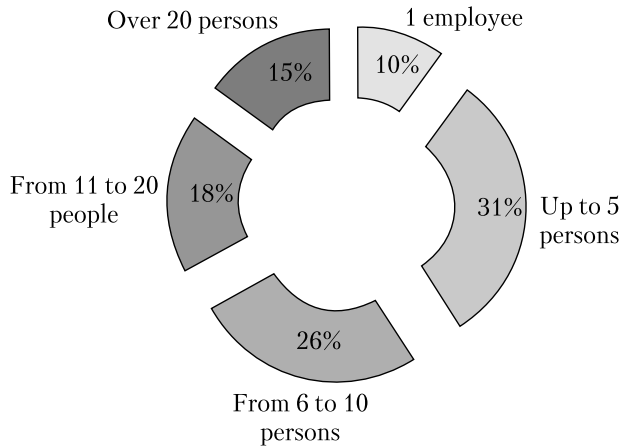


Fig. 6. Organizational structure of social enterprises, 2020
 Source: calculated according to data [25, p. 12].

In 2020, the majority of social enterprises are engaged in employment of socially vulnerable population groups, generation of finances for social activities, for reinvestment in their own activities. In their activities, they pay considerable attention to the involvement of youth, solving gender issues, etc. [26, p. 13]. The most popular organizational forms of activity of social enterprises are: individual entrepreneurs (26%), private enterprise (16%) and public organization (14%). Social entrepreneurs also register their activities in the following forms: limited liability companies (13%), agricultural cooperatives (10%) and others. Most social enterprises operate in the form of individual entrepreneurs due to simplified reporting and taxation procedures. At the same time, their close cooperation with nonprofit public organizations engaged in the implementation of social projects is observed, which ensures mutually beneficial cooperation between public organizations and social enterprises [26, p. 9].

Most social enterprises (Fig. 6) employ up to 5 people (31%). 26% of social enterprises employ 6–10 people and 18% officially employ 11–20 people. Only 15% of social enterprises have more than 20 employees. The most active social enterprises are formed in Kyiv, the main activity of which is the employment of socially vulnerable groups. As

for other regions, the number of formations is much lower. It should be noted that most social enterprises focus on narrow group interests and social functions, rather than on the transfer of social experience, mainly their organizational and legal forms are individual entrepreneur, private enterprise and public organization.

Given that social innovations can be generated and implemented by innovating and socially responsible business, we apply the integrated index by aggregating standardized values using arithmetic mean by the following formula to assess the potential of regions for social entrepreneurship, socially responsible and innovating business:

$$Z_{SE} = \frac{\sum_{i=1}^k S_i}{n}, \quad (1)$$

where Z_{SE} is the integral index of the region’s ability to do social entrepreneurship, socially responsible and innovating business; S_i are standardized values of i -th index (Table 1); n is the number of characteristics.

The selected indexes (Table 1) for evaluating the region ability to do social entrepreneurship, socially responsible and innovating business are divided into the performance stimulators, whose growth reflects an improvement in the ability to do social innovations and the destimulators, the growth of which reflects a decrease in the ability of regions to do social innovation.

Considering that the indexes are heterogeneous, we standardize them to values from 0 to 1:

$$S_{ij} = \frac{X_{ij} - X_{\min}}{X_{\max} - X_{\min}}, \quad (2)$$

$$S_{ij} = \frac{X_{\max} - X_{ij}}{X_{\max} - X_{\min}}, \quad (3)$$

where S_{ij} is the standardized value of the i -th index in the j -th region; X_i is the actual value of the i -th index in the j -th region; X_{\max} is the maximum value of the i -th index in the region; X_{\min} is the minimum value of the i -th index in the region.

The growth in the standardized indexes confirms the region ability to do social entrepreneurship and innovation. Therefore, if the integral index in the region changes in the range (0–1), its growth shows higher opportunities for the region in social entrepreneurship, socially responsible and innovating business, and its decrease indicates reduced opportunities.

The study was conducted over the period 2016–2020, when there were profound structural changes in the socio-economic life of society, due to the slowdown in reforms in the country, the aggravation of Russian aggression and the nature of socio-political processes.

The obtained results of calculating the integral index of the region ability to do social entrepreneurship, socially responsible and innovating business (ZSE, Fig. 7) based on official data reflect insignificant achievements in the regions, except for Poltava, Kharkiv, Lviv and Kirovohrad Oblasts, where the integral index reached the level of 0.6–0.7 in 2016–2017. The lowest index was

found in Rivne Oblast (0.02). Dnipropetrovsk, Zaporizhzhia and Kyiv Oblasts are at the average level with an index of 0.5. The main reasons for the slight fluctuations of the index during 2019–2020 are the uncertainty of the situation due to the global pandemic and the resulting difficult challenges for the country’s economic system in general.

The development of social entrepreneurship and socially responsible business shows the growth in the number of social enterprises and the priority of employment of socially vulnerable groups of the population. This is a kind of reaction of civil society to the manifestations of a protracted political and geopolitical crisis due to the escalation of aggression in the East of Ukraine and the annexation of the ARC, the socio-economic crisis and the growth of socially vulnerable categories of the population requiring social support (refugees from Crimea, Donbass, ATO veterans). These challenges prompted the society to search for alternative methods of solving social

Table 1. Indexes for Assessing the Activity of Entrepreneurship in the Regions in Terms of the Generation, Production, and Dissemination of Social Innovations

No	Indexes for evaluation	Formalization of index calculation	Explanation
1	Social entrepreneurship activity per 10,000 population, units/person	$A_{ij(C\Pi)} = \frac{C\Pi_{ij}}{\Psi_{ej}}$	<p>$C\Pi_{ij}$ is the number of j-th social enterprises in the i-th region, units; Ψ_{ej} is the number of the j-th population in the e-th region, thousand people;</p> <p>where $C\Pi_{ij(CBK)}$ is the number of j-th social enterprises, which solve the problems of socially vulnerable groups in the i-th region; $C\Pi_{ej}$ is the number of j-th social enterprises in the e-th region, units;</p> <p>where IA_{ij} is the number of j-th innovating enterprises in the i-th region, units; $\Pi\Pi_{ej}$ is the number of j-th industrial enterprises in the e-th region, units;</p> <p>$C\Pi_j$ is the number of social enterprises in the j-th region, units; Ψ_j is the number of the j-th population in the e-th region, people;</p>
2	Employment of social entrepreneurship workers, persons	$З_{ij(C\Pi)} = \frac{\Psi_{ej}}{C\Pi_{ij}}$	
3	Share of social enterprises with the priority of solving the problems of socially vulnerable segments of the population, in the total number of social enterprises, %	$\Psi_{ij(C\Pi(CBK))} = \frac{C\Pi_{ij(CBK)}}{C\Pi_{ej}} \cdot 100\%$	
4	Share of innovating enterprises in the total number of industrial enterprises, %	$\Psi_{ij(IA)} = \frac{IA_{ij}}{\Pi\Pi_{ej}} \cdot 100\%$	
5	Innovating activity of enterprises per 10 thousand population, persons	$A_{ij} = \frac{IA_{ij}}{\Psi_{ej}}$	

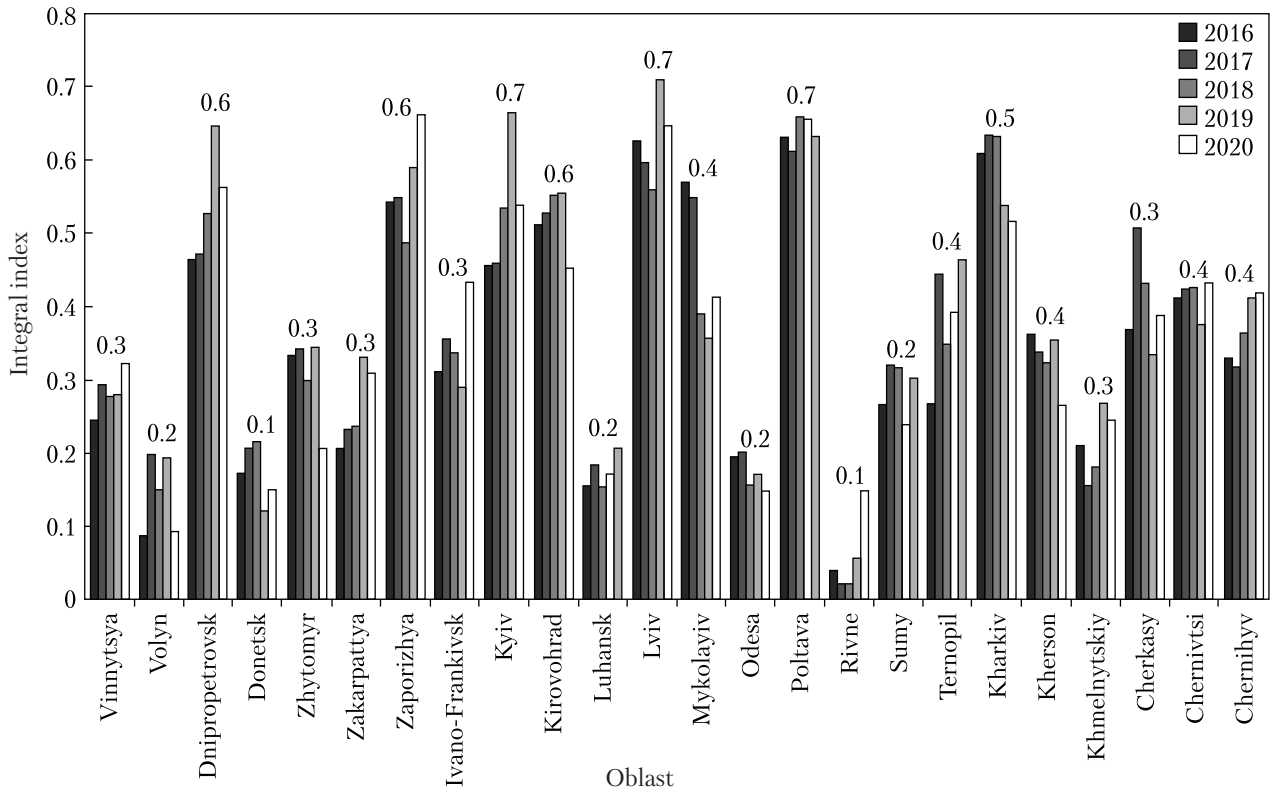


Fig. 7. Dynamics of changes in the integral index of regions' ability to do social entrepreneurship, socially responsible and innovating business (Z_{M1}), 2016–2020

Source: Calculated by the authors.

problems for the most vulnerable segments of the population.

The generation of social innovations by a socially active business in the conditions of dynamic internal changes against the background of the armed conflict in 2014, the worldwide COVID-19 pandemic and the full-scale invasion of the Russian Federation in 2022 can become one of the main impetuses for the recovery of our country's economy. This applies both to the Eastern regions and to Ukraine in general. The armed conflict of 2014 caused a decline in economic development in the Donetsk and Luhansk Oblasts due to the seizure of the most economically active territories. As a result of the military conflict, heavy industry suffered, namely mining, chemical industry and metallurgy, the volume of production of SMEs decreased significantly (80–90%), the

business activity of enterprises decreased by 49%, the number of employees was reduced in 29% of enterprises, the majority of the population aged left the regions before the age of 35, which significantly limited the innovating activity of business [27, p. 18]. One of the prospects for the recovery of the Eastern regions is the development of social entrepreneurship, which will reduce the rate of unemployment, promote rehabilitation, psychological assistance and retraining of the population, participants of the anti-terrorist operation, and socially vulnerable categories of citizens.

The COVID-19 pandemic affected not only the development of innovative and social entrepreneurship, but also the country's economy in general. Therefore, being aware of the growth of social business in 2018–2020, it is worth noting its

decline in 2020–2021. According to the research conducted in June–July 2020 as part of the project “Social entrepreneurship in Ukraine in times of COVID-19 through the prism of gender equality”, a drop in the purchasing power of customers in the market was observed, as well as a change in their consumer behavior towards the safety of the process shopping, online ordering and contactless delivery. However, social enterprises, thanks to a high level of innovation and self-organization, reoriented themselves towards the creation of new business models, new formats of work for social enterprises and business in general, in particular in terms of merging with other social enterprises, digitalization or transferring work to online mode, creating new products or services, increasing the level of awareness and popularization of ideas and concepts of social entrepreneurship [16, 28].

Russia’s military aggression had an even worse effect on the situation as it has caused damages of forestation, an increase in unemployment and the number of vulnerable categories of the population and adversely affected their social protection. On the one hand, there is a total closure of enterprises, especially in the eastern regions, and on the other, existing entrepreneurs have realized the importance of supporting the social sector. Such a trend, supplemented by significant amounts of financial and organizational and informational support for domestic socially active business from the state, domestic and international organizations, creates opportunities for the development of social entrepreneurship, perhaps not in a quantitative, but in a qualitative sense.

Activation of social entrepreneurship at the local level of the management hierarchy can be ensured by forming an “ecosystem” of the region through:

- ◆ educational activities on the establishment and conduct of social entrepreneurship among adolescents, students, women, JFO/ATO participants, socially vulnerable and vulnerable groups;
- ◆ generation of projects to involve socially vulnerable groups in business activities, projects of business entities aimed at solving social problems;

- ◆ creation of a communication platform for the development of social entrepreneurship, which allows uniting business, government, public and focusing their efforts on solving pressing problems.

The proposals envisage the development of social entrepreneurship primarily in the small and medium-sized business sector, because it is not only highly innovative in social sense as well, but also important in the context of ensuring sustainable development, which is logical and consistent in the direction of achieving the goals of sustainable development, building civil society and the formation of a socially oriented market economy. This segment of entrepreneurship is primarily focused on solving local problems, flexibly responding to challenges and trends in the development of the economy and community at the local level.

Social entrepreneurship has a key importance for the development of the nonprofit sector, contributes to the solution of social needs in the regions and the country and acts as a driver for enhancing social innovation. The debatability of the priority of profit or social goal, institutional uncertainty, and the lack of a system of statistical observation — all these factors lead to obstacles to the development of social entrepreneurship.

The quantitative and qualitative analysis of social business in Ukraine has shown its concentration in the city of Kyiv, as well as in Lviv, Poltava, Donetsk, Zaporizhzhia, Kyiv, Kharkiv, Dnipropetrovsk, and Cherkasy Oblasts. The obtained integral index of the region ability to be engaged in social entrepreneurship, socially responsible and innovating business (Poltava, Kharkiv, Lviv, Kirovohrad, Dnipropetrovsk, Zaporizhzhia, and Kyiv Oblasts have an index above 0.5) correlates with the results of this analysis.

One of the most important prerequisites for the development of social entrepreneurship in Ukraine is its legal regulation, the study of the world experience in the implementation and legislative support of social entrepreneurship, taking into account the socio-economic development of Ukrainian society. Topical issues are determining the share of the contribution of social entrepre-

neurship in tax liabilities, weighing the effectiveness of promoting social entrepreneurship between the feasibility of lowered tax rates and grant programs to stimulate their development.

The armed conflict in 2014, the consequences of the worldwide COVID-19 pandemic, and the full-scale invasion of Russia in 2022 became a powerful impetus for the activation of social entrepreneurship. Against the backdrop of an increase in the number of displaced persons, unemployment, an increase in the number of vulnerable categories of the population and a weakening of their social protection, the social responsibility of

business has significantly increased, the amount of financial and organizational and informational support of the state, domestic and international organizations of social entrepreneurship has increased, which creates a basis for the development social entrepreneurship in Ukraine.

The successful practice of adapting social entrepreneurship in Ukraine depends on the economic development of each region and clarity in the criteria and areas of social enterprises activity. It is important to introduce regional and local programs to enhance social entrepreneurship, active outreach work.

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СОЦІАЛЬНЕ ПІДПРИЄМНИЦТВО ЯК РУШІЙНА СИЛА ДЛЯ ЗРОСТАННЯ СОЦІАЛЬНИХ ІННОВАЦІЙ

Вступ. Одним із напрямів зміцнення соціального складника у контексті сталого розвитку є поширення соціальних інновацій, процеси генерування та продукування яких варто розглядати через активізацію суспільного розвитку, інноваційну активність підприємств та соціальне підприємництво, першочергово орієнтоване на досягнення соціального ефекту в суспільстві.

Проблематика. Розвиток соціальних інновацій доцільно активізувати на основі детального вивчення передумов через регіональні програми підтримки соціального підприємництва з урахуванням ресурсних можливостей та особливостей функціонування областей. Соціальне підприємництво генерує економічні, екологічні й соціальні цінності.

Мета. Дослідження передумов, проблем і перспектив розвитку соціального підприємництва як одного із драйверів активізації соціальних інновацій в умовах сучасних геополітичних та соціально-економічних викликів.

Матеріали й методи. Використано методи аналізу, синтезу, порівняння, структурного, функціонального, системного, статистичного аналізу та інтегрування.

Результати. Проаналізовано результати моніторингу діяльності соціальних підприємств у країнах ЄС. На основі запропонованого інтегрального індексу здатності регіонів до соціального підприємництва, соціально-відповідального та інноваційно-активного бізнесу досліджено передумови та тенденції розвитку інноваційного й соціального підприємства в регіонах України.

Висновки. Доведено важливість соціального підприємництва у вирішенні соціальних потреб країни та активізації соціальних інновацій. Геополітичні, соціально-економічні й інституціональні виклики останніх років стали потужним поштовхом для активізації соціального підприємництва в Україні.

Ключові слова: соціальні інновації, соціальне підприємництво, сталий розвиток.