

## Factors of Self-Sustainability in Social Entrepreneurship: Case Studies of ACT Group Čakovec and Friskis and Svettis Stockholm

**Authors :** Filip Majetić, Dražen Šimleša, Jelena Puđak, Anita Bušljeta Tonković, Svitlana Pinchuk

**Abstract :** This paper focuses on the self-sustainability aspect of social entrepreneurship (SE). We define SE as a form of entrepreneurship that is social/ecological mission oriented. It means SE organizations start and run businesses and use them to accomplish their social/ecological missions i.e. to solve social/ecological problems or fulfill social/ecological needs. Self-sustainability is defined as the capability of an SE organization to operate by relying on the money earned through trading its products in the free market. For various reasons, the achievement of self-sustainability represents a fundamental (business) challenge for many SE organizations. Those that are not able to operate using the money made through commercial activities, in order to remain active, rely on alternative, non-commercial streams of income such as grants, donations, and public subsidies. Starting from this widespread (business) challenge, we are interested in exploring elements that (could) influence the self-sustainability in SE organizations. Therefore, the research goal is to empirically investigate some of the self-sustainability factors of two notable SE organizations from different socio-economic contexts. A qualitative research, using the multiple case study approach, was conducted. ACT Group Čakovec (ACT) from Croatia was selected for the first case because it represents one of the leading and most self-sustainable SE organization in the region (in 2015 55% of the organization's budget came from commercial activities); Friskis&Svettis Stockholm (F&S) from Sweden was selected for the second case because it is a rare example of completely self-sustainable SE organization in Europe (100% of the organization's budget comes from commercial activities). The data collection primarily consists of conducting in-depth interviews. Additionally, the content of some of the organizations' official materials are analyzed (e.g. business reports, marketing materials). The interviewees are selected purposively and include: six highly ranked F&S members who represent five different levels in the hierarchy of their organization; five highly ranked ACT members who represent three different levels in the hierarchy of the organization. All of the interviews contain five themes: a) social values of the organization, b) organization of work, c) non-commercial income sources, d) marketing/collaborations, and e) familiarity with the industry characteristics and trends. The gathered data is thematically analyzed through the coding process for which Atlas.ti software for qualitative data analysis is used. For the purpose of creating thematic categories (codes), the open coding is used. The research results intend to provide new theoretical insights on factors of SE self-sustainability and, preferably, encourage practical improvements in the field.

**Keywords :** Friskis&Svettis, self-sustainability factors, social entrepreneurship, Stockholm

**Conference Title :** ICSEI 2017 : International Conference on Social Entrepreneurship and Innovation

**Conference Location :** Barcelona, Spain

**Conference Dates :** May 26-27, 2017