

The Contribution of Professional Associations in Romania to the Prevention of Poverty and Exclusion by Developing Social Businesses - Part I of II

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Abstract

Global poverty is neither created by the poor, nor the result of any incapacity associated to them; instead, it is the outcome of the system built by all the people, the institutions they set up and the concepts they have formulated. In what follows we don't want to suggest that Professional Associations would become philanthropic associations through the establishment and development of specific social economy foundations that concentrate their activity on poverty issues. Such associations have actually come to witness the problems mentioned above, namely the difficult situation of former employees from different areas; an example in this respect could be the massive and "the most successful privatization of all time" of oil companies, in 2004, when, by various subtle (compensatory) means, the new capitalists have fired more than 40 thousand people, relegating them and their families to a life of poverty. Private oil companies have outsourced more services, which subsequently became the property of the capitalists managing them, at the expense of society, proving their clear interest in gaining significant profit. Therefore, Professional Associations in this area might become, among other things, active organizations within society, assuming a social role, for both their members from the oil industry and for non-members, for society at large. Professional associations promote the idea of a new form of capitalism and a new type of company (understood as a business), based on the generosity of people and defined by experts as "social business". The fundamental purpose: to eliminate the social, economic and environmental problems; reduce the consequences of many other problems in society, such as hunger, homelessness, disease, pollution, lack of education, which finally lead to national insecurity.

Keywords: Professional associations; poverty; social exclusion; vulnerable groups; social business; social economy; social entrepreneurship, a new form of Capitalism.

Introduction

Combating global poverty and social exclusion (a concept that has been addressed in recent years, especially in Europe), restoring the human dignity of those who lost it, eradicating the concepts that lead to poverty is an essential duty of all economic and political systems worldwide, and of all existing institutions. The perception of Social Economy as a science connected to these economic and political system, the application of scientific achievements in this field, identifying and removing

inequalities and inequities, putting into practice the principle of social policies legitimacy are obvious demands in poor countries, with economic and political systems that are either emerging or increasingly divided by subsistence.

We have approached the concept of "social exclusion" given its importance in terms of the difference between poverty as a way of measuring the need for social protection (lack of income or insufficient consumption) and as total lack of opportunities. Lack of income and insufficient consumption relate to merely the financial aspect of exclusion, but responsibility should also focus on eliminating the causes / restrictions that exclude individuals from the possibility to get what they need (Preda, 2007).

The importance of the issue is given by the prospects of Romanian social policies and implicitly those of professional associations, which are "organizations with legal personality, with patrimonial purpose, consisting of individuals (members) belonging to the same professions, or to related professions" (Rubinian Dictionary, accessed at 5th of November 2016) that contribute both materially and by their knowledge and work to the reduction of poverty and social exclusion among the unemployed, displaced by postindustrial circumstances, and among the university graduates and other vulnerable social groups; it is also necessary to re-evaluate the international context, which plays a crucial role in the current context of Romania. The importance lies in the fact that Professional Associations address the phenomenon of poverty and social exclusion as "a problem that they regard and perceive as an opportunity, and subsequently act upon it" (Ghenea, 2011), which turns the members of such associations into social entrepreneurs.

We have completed the following reports on the issue referred to above, relevant in terms of grounding the problem approached, which were published in professional journals and presented at international conferences: „Managers and Economist Engineers between the Sociology of the Elites and the Social Economy of Vulnerable Groups” (Rada, Măgdoiu, et al., 2016); „The Antifragile of Decisions Adopted by Managers and Economist Engineers Working in the Sector of Vulnerable Groups’ Social Economy” (Măgdoiu, Rada, 2016); „Forms of Communication and Strategies adopted by Managers and Economist Engineers in the “BLACK SWAN” Situation of Social Economy” (Rada, Măgdoiu, 2016); „Managers and Economist Engineers between Social Economy Development and Obtaining Profit” (Măgdoiu, Rada, 2014); „Managers and Economist Engineers between the Social Responsibility of Oil Corporations and the Development of Social Economy” (Măgdoiu, Rada et al., 2014); „The Initial and Ongoing Training of Economist Engineers as Human Resources of the Labor Market” (Măgdoiu, Rada, 2013); „Managers and Economist Engineers in the Development of the Social Economy” (Rada, Măgdoiu, 2013) etc. The present study is different from the ones mentioned above as it approaches the perspective of Professional Associations on the issue of poverty and social exclusion, regarding them as opportunities on which to act as social entrepreneurs, in the international context of Europeanization and globalization of social policies in Romania. Together with previous research in the field, the current study will contribute to the emergence of a common attempt to eradicate poverty and social exclusion by creating opportunities for jobs, increase of profits and consumption, based on the entrepreneurship model though, for the time being, there are only “tendencies of studying the social economy

of central and Eastern-European countries" (Buzducea, coordinator, Alexiu, 2013), as specialists have identified a slowing of development in the social economies of these countries, including Romania, due to a series of obstacles related to their political and economic past.

Literature in the field and European or Romanian databases include data, interpretations, ideas developed, studies and reports that contribute substantially to the development of our approach: "The Romanian Social Policy Between Poverty and Globalization" - „Politica socială românească între sărăcie și globalizare” (Preda, 2007), "The Social Economy of Vulnerable Groups" - „Economia socială a grupurilor vulnerabile” (Buzducea, coordinator, 2013), "Inertia and Change: Social Approaches of Transition in Romania" - „Inerție și schimbare: dimensiuni sociale ale tranziției în România” (Rotariu, Voineagu, coordinators, 2001), "Introduction in the Sociology of Emotions" - „Introducere în sociologia emoțiilor” (Jderu, 2012), "Organization and Organizational Fields: an Institutional Analysis" - „Organizare și câmpuri organizaționale: o analiză instituțională” (Păunescu, 2006), "Psychologie des minorités actives – Social Influence and Social Change” (Moscovici, 2011), "Interpreting Qualitative Data. Methods for Analysing Communication, Text and Interaction – Interpretarea datelor calitative: metode de analiză a comunicării, textului și interacțiunii” (Silverman, 2001), "Entrepreneurship – the Path from Ideas to Opportunities” - „Antreprenoriat: drumul de la idei către oportunități” (Ghenea, 2011), "The Price of Inequality: How Today’ Divided Society Endangers Our Future – Prețul inegalității: cum societatea divizată din ziua de astăzi ne pune în pericol viitorul” (Stiglitz, 2013), "L’ économie des inégalités – Economia inegalităților” (Piketty, 2014), "Case Study Research. Design and Methods” – Studiul de caz: designul, analiza și colectarea datelor” (Yin, 2003), "The Practice of Social Research – Practica cercetării sociale” (Babbie, 2007), "Reiche Mitis, arme Bürger: Die unsoziale Kehrseite der maBlosen Unternehmensewinne – Multinaționale bogate, cetățeni săraci: profiturile exorbitante – soluția imorală a marilor companii” (Löpfle, Vontobel, 2013), "Building Social Business: The New Kind of Capitalism that Serves Humanity’s Most Pressing Needs – Dezvoltarea Afacerilor sociale: noua formă a capitalismului, menită să răspundă celor mai presante nevoi ale umanității” (Yunus, 2010), as well as the following databases: "European Commission - EUROSTAT Your key to European statistic – Comisia Europeană – EUROSTAT cheia dumneavoastră la statistica europeană” (<http://ec.europa.eu/eurostat/web/main/home>, 2016), ("The Romanian National Institute of Statistics” „Institutul Național de Statistică al României” (<http://www.insse.ro/cms/ro>, 2016). Obviously, the research in the field is much more extensive and therefore we have not intended to indicate here all existing sources, but we mentioned the ones which are relevant for our study since they include: theoretical underpinnings for the concepts we use; refer to research strategies (methods) in research sciences; provide statistical evaluations of the level of poverty and social exclusion, both in Europe and in Romania; include as presentations of the level in the development of social economy in the economic systems of Europe and Romania. We should point out at the absence of university curricula that include the subject of Social Economy, as shown by the literature in the field. Our approach leads Romanian Professional Associations towards solutions that might solve the

severe social problems of poverty and social exclusion with which the unemployed, resulting from the so-called privatizations of their fields, as well as the university graduates and other categories of unemployed persons are confronted with. We intend to approach a new concept of capitalism, one which would provide a solution to such problems using, in this case, entrepreneurship as a path from ideas to success. As study hypotheses, we take into account the primary variable: "The existence of poverty and social exclusion in Romania" and as secondary variable: "The fight against poverty and social exclusion assumed by Professional Associations in Romania, by initiating and developing social businesses, using the model of social entrepreneurship". We build, as in the case of any empirical study, a research design that would logically connect the primary to the secondary variable, connecting empirical data to the initial questions that require an answer and the set of conclusions (answers) relating to these questions (Yin, 2005). The intermediary stages of this logical plan are represented by gathering and analyzing relevant data.

Method

For the purpose of our research we have chosen the case study, which is one of the available research methods (Yin, 2005). We have adopted this strategy since we start from questions such as "how" and "why" and because we have a limited control on events, and our attention focuses on the attempts of Professional Societies to eradicate the phenomena of poverty and social exclusion, which affect some members of vulnerable groups: unemployed persons, university graduates, by developing social businesses, based on the model of social entrepreneurship, with the view of creating a new type of capitalism. The components of the research design are as follows:

Research questions:

Our investigation represents the means whereby we examine our empirical theme, following a series of pre-established procedures, that will dominate the entire approach (Yin, 2005). We have set the study hypothesis and the questions we attempt to answer are:

1. How can poverty and social exclusion be defined? Why do the two real concepts exist as social problems?
2. How can vulnerable groups (the unemployed, persons having graduated from university and secondary education) be defined? Why did they emerge?
3. How can poverty be reduced by means of social business development? Why the phenomenon mentioned here can to be reduced by Professional Associations in the economic field of Romania? How can one make a selection from the large number of existing associations?
4. How can entrepreneurship be defined in general? How can social entrepreneurship be defined? Why and how, following the entrepreneurial model, can a new type of capitalism emerge? How can one define the new type of capitalism?

The first two questions (1 and 2) relate to the phenomena of poverty and social exclusion; the context in which the two situations emerged makes the subject of the first part of our research, the main variable, while the last two questions (3 and 4), and the answers to them, represent the results of our investigation (proposed solutions),

as the secondary variable.

The hypothesis

The hypothesis is the second component of the research design, whereby attention is directed towards: the reasons causing the emergence of poverty and social exclusion; the conceptualization of the two aforementioned phenomena; the key indicators related to the economic and social fields in Romania and, comparatively, in Europe. We focus on the means whereby the indicators that define poverty and social exclusion are highlighted. We continue by discussing aspects related to vulnerable groups: unemployed persons, university and secondary school graduates without a job; the definition of these groups and the situation of the workforce in Romania; the means of approaching unemployment; the indicators that define unemployment. The part of the hypothesis that represents the secondary variable is the solutions proposed for the problems: the development of social businesses by Professional Societies in the economic field, given the conditions in which, in several years, social business "evolved from the stage of simple idea to that of reality with rapid development" (Yunus, 2010). We shall try to answer why social businesses have been chosen, in conditions of the existing good practice. We shall also discuss the establishment of a legal and financial framework for the social businesses developed by Professional Associations from the economic environment in Romania, which are non-patrimonial organizations, and focus on their contribution to the creation of a global infrastructure for social business, which leads to the emergence of an increasing number of social businesses in the future, contributing to the decrease poverty and making the first steps towards a "new form of capitalism" (Yunus, 2010), using the model of social entrepreneurship. Applying this model is relevant to the social issue that regards the reduction of poverty and social exclusion among the unemployed graduates of higher and secondary education in Romania, by the effort of Professional Associations in the economic environment. These are called to find solutions for setting, financing and developing these forms of entrepreneurship. The hypothesis of the study: The primary variable: "The existence of poverty and social exclusion in Romania generates vulnerable social groups"; the secondary variable: "Fighting poverty and social exclusion, by the Professional Associations of Romania, through the initiation and development of social businesses, using the model of social entrepreneurship".

The analysis units

The third component of our research design is aimed at analyzing units and "is connected to the fundamental issue of defining the case" (Yin, 2005).

1. The primary analysis unit

The primary analysis unit refers to the vulnerable social groups that we take into consideration in this study: the unemployed persons and unemployed graduates of higher and secondary education; their vulnerability is associated to the poverty and social exclusion generated by the post-industrial stage in Romania. In order to facilitate the identification of information we define these vulnerable social groups by

referring only to certain categories that are part of these groups, namely unemployed persons and unemployed graduates of higher and secondary education from the economic environment of Romania. Our study aims both at concepts associated to these vulnerable groups and at the relevant indicators that define vulnerable groups: aspects related to employment in Romania compared to Europe, the scale of unemployment in Romania in comparison with Europe, the ILO (International Labor Office) overall unemployment rate and the rate in relation to gender, the ILO unemployment rate in relation to the level of education in Romania, the ILO unemployment rate by age groups, the rate of early leaving of the education system by young people, increasing the total unemployed population (15-65 years and above), the share of the population with low levels of education by age groups, the share of the population having computer skills, the share of the population as regards the ability to use the Internet, employment among young graduates in Europe, the evolution of the unemployment rate in Romania.

2. The context analysis unit

Another unit of analysis regards the context that has generated the case, i.e. poverty and social exclusion that determine the emergence of vulnerable social groups, in our case the unemployed in general and the unemployed graduates of higher and secondary education. The study highlights the concepts that relate to the phenomena mentioned above and the relevant indicators that define such phenomena, namely: the number of the residential (stable) population in Romania, the evolution of the GDP in Romania (compared to Europe), the public debt in Romania compared to the situation of Europe, the average inflation rate in Romania compared to that of Europe, the growth rate of the GDP per capita in Romania, compared to the situation of Europe in this respect, the Gross National Income (percentage of GDP), GDP per capita by region, gross savings of the population as a percentage of the GDP, the index of inequalities in terms of income (the ratio of the top quintile and the lowest quintile), the poverty rate after societal transfers in Romania as compared to Europe, the ratio of economic dependency of households by age, gender social disparity, internal and external migration in Romania, poverty and social exclusion in Europe.

3. The embedded analysis unit

The analysis unit incorporated in this the study reveals how four of the many professional associations in the Romanian economic environment are able to develop social businesses through social entrepreneurship, in order to reduce poverty and social exclusion, by limiting unemployment and stimulating social inclusion. The study refers to the following professional associations: The Association „The Romanian Society of Engineers Activating in the Fields of Oil and Gas” (SIGP) Association, the Association of Managers and Economist Engineers in Romania (AMIER), the General Association of Engineers in Romania (AGIR), the General Association of Economists in Romania (AGER). The study also discusses the mission and objectives of these associations and the establishment, by these structures, of social business; they are structures who attempt to find solutions for action, provide the financial support and supervise the subsequent development of social entrepreneurship; the incorporated

analysis unit also defines contribution of the four professional associations mentioned above to the creation of a global infrastructure for social business; discusses their contribution to the emergence, in future, of increasingly more social business, defining the part they play in reducing poverty and making the first steps towards a "new form of capitalism" and social entrepreneurship. The study also defines the model of social entrepreneurship. We want to emphasize the relevance of applying this model to the social question that regards the reduction of poverty and social exclusion among the unemployed in general and the unemployed graduates of higher and secondary education, by Professional Associations in the Romanian economic environment. **4.**

Connecting data to hypotheses

Connecting data to hypotheses is the fourth component of the research design, which anticipates the data analysis stage. It can be achieved in different ways, but we believe that a mixed approach for our case study would be the most appropriate one (Yin, 2005). By this method the complex of data and information obtained from documents, archives, direct observation, participative observation is evaluated in accordance to three essential principles: "multiple sources for proofs (two or more sources that converge towards similar findings), a database (the sum of proofs gathered, not the final study report) and a logical succession of proofs (explicit connections among data collected, the questions addressed and the conclusions obtained" (Yin, 2005). In analyzing the data, we make use of examination, classify proofs, include proofs in tables and use "pattern matching" to test them, build arguments, analyze time series, use logical models and the comparative analysis" (Yin, 2005). A special attention has been paid to all proofs and these have been presented objectively, demonstrating our openness to using alternative interpretations. We follow a logical succession of proofs that express the explicit connections among the data collected, the questions addressed and the conclusions we have reached. Data have been obtained based on proofs included in: EUROSTAT site documents, The Romanian National Institute of Statistics, the texts of different documents, direct observation for aspects regarding employment in Romania as compared to Europe, the ILO (International Labor Office) overall unemployment rate and the rate in relation to gender, the ILO unemployment rate in relation to the level of education in Romania, the ILO unemployment rate by age groups, the rate of early leaving of the education system by young people, increasing the total employed population (15-65 years and above), the share of the population with low levels of education by age groups, the share of population in relation to computer skills, the share of the population as regards the ability to use the Internet, employment among young graduates in Europe, the evolution of the unemployment rate in Romania. These documents will demonstrate logical connections with initial questions in defining vulnerable social groups: the unemployed and graduates of universities and secondary education that do not have a job. A connection can also be made with the questions discussed in the second part of the study, which focus on the necessity of combating poverty and social exclusion, by the Professional Associations in Romania through the development of social business, using the model of social entrepreneurship.

Data obtained based on EUROSTAT site documents, on documents made available by The Romanian National Institute of Statistics, as well as the texts of different other documents highlight the concepts of poverty and social exclusion and the relevant indicators for defining such phenomena, i.e. the changes in the number of the residential (stable) population in Romania, the evolution of the GDP in Romania as compared to the situation in Europe, the public debt in Romania compared to the situation of Europe, the average inflation rate in Romania compared to the situation in Europe, the growth rate of the GDP per capita in Romania compared to Europe, the Gross National Income (percentage of GDP), GDP per capita by region, gross savings of the population as a percentage of the GDP, the index of inequalities in terms of income (the ratio of the top quintile and the lowest quintile), the poverty rate after societal transfers in Romania as compared to Europe, the ratio of economic dependency of households by age, gender, social disparity, Romania's population internal and external migration, poverty and social exclusion in Europe. We try to see whether there is a logical, cause and effect connection between the factors mentioned above and the generation of vulnerable social groups: unemployed persons and graduates of universities and of secondary education, who do not have a job, and the necessity of finding solutions, on the part of the Professional Associations in Romania, by developing social business, using the entrepreneurship model.

We analyze the method chosen by four out of the many Professional Associations in Romania, in order to develop social businesses through social entrepreneurship, with the aim of reducing poverty and social exclusion through employment and social inclusion. The associations referred to in this study are: The Association „The Romanian Society of Engineers Activating in the Fields of Oil and Gas”, The Association of Managers and Economist Engineers in Romania (AMIER), The General Association of Engineers in Romania (AGIR), The General Association of Economists in Romania (AGER). The study defines the mission and objectives of the associations mentioned above and focuses on their founding of social business structures aimed at finding solutions for action, financing and developing such entrepreneurship, defining their contribution to the creation of some global infrastructure for social business, defining their contribution to the emergence, in the future, of several forms of social business, defining their contribution to reducing poverty and making the first steps towards a “new form of capitalism” and social entrepreneurship. Defining the model of social entrepreneurship. The relevance of applying this model for the social issue of eradicating poverty and social exclusion among the unemployed and the graduates of universities and secondary education, that do not have a job, by the Professional Associations in the economic environment, is the SOLUTION found in connection with the aims of creating jobs in order to reduce poverty and social exclusion.

5. Criteria for data interpretation

The final component of the research design anticipates the stage of data analysis. Data obtained through the strategies and the techniques we have chosen is a constant challenge to produce some valuable analysis, which requires, on our part, paying

special attention to all the evidence available. We present evidence objectively and demonstrate interest to explore alternative interpretations (Yin, 2005). We use the combined criteria for interpreting the findings, using logical models that “stipulate intentionally a complex concatenation of events in time. They are included in repeated cause-effect-cause-effect patterns”. (Yin, 2005). Therefore, the dependent variable from an early stage “The existence of poverty and social exclusion in Romania generating vulnerable social groups” becomes an independent variable in a later stage “The action of Professional Associations of Romania for combating poverty and social exclusion through the initiation and development of social business, using the model of social entrepreneurship”. This logical model involves matching events observed empirically: the existence of poverty and social exclusion in Romania, generating vulnerable social groups; these are connected to events predicted theoretically: combating poverty and social exclusion by the Professional Associations of Romania through the initiation and development of social business, using the model of social entrepreneurship.

Preliminary theories

Preliminary theories have an important role in treating the five components of the research design, in connection with the theme of the study. We elaborate the theory before gathering data, which makes this case study different from other similar methods (Yin, 2005), which intentionally avoid the specification of theoretical hypotheses at the beginning of any investigation, which could be mistaken for a case study, considering that the stage of data gathering can be approached directly. Then we proceed to the next stage, that of data gathering: “the creation of relevant contacts depends on the understanding – or the theory – of the studied object” (Yin, 2005).

Building the theoretical part is an essential stage of the case study since the purpose of investigation is that of putting forward a theory about the existence of poverty and social exclusion in Romania, which generates vulnerable social groups: unemployed persons, university and secondary school graduates without any occupation. The case study will demonstrate the necessity of combating such phenomena by Professional Associations in Romania, by means of initiating and developing social business, using the model of social entrepreneurship. This last statement presents briefly a theory for solving the social problems of vulnerable social groups: unemployed persons and university and secondary education graduates without occupation, in the context of identified poverty and social exclusion in Romania, as causes for the existence of the groups previously mentioned.

Secondly, the case study will show why social businesses are necessary. Thus we discuss the initiation, by Professional Associations from the Romanian economic environment, of business structures that aim to find solutions for action, for financing and developing entrepreneurship of this kind, and define their contribution to the emergence of more and more numerous social business in the future. We also attempt to define the contribution of such structures to the reduction of poverty and making the first steps towards a new form of “social capitalism” – social entrepreneurship. This theory summarizes an alternative theory, in other words if the first theory is not

implemented, the desired outcome (i.e. is solving the social problems of vulnerable social group, as well as the attempt to reduce poverty and social exclusion) may fail, demonstrating the resistance of social and economic environments to change.

While conducting research for this study we have evaluated the literature on conceptualization and theory-development themes and observed that studies often discuss concepts pertaining to the fields of economy and social sciences, the situation of vulnerable groups, professional associations, social business, entrepreneurship, unemployment, poverty and social exclusion, but we argue that such concepts should be well understood and defined, in order to draw significant conclusions in relation to them. We have encountered the issue of conceptualization at Babbie, 2009. "The classification of concepts is a continuous process in social research" (Babbie, 2009). We are familiar with the entire group of theories that are relevant for our study. Thus, we are going to apply in our study: a.) "Theories on individuals" (Yin, 2005), that is theories about the individual development of the unemployed and the university and secondary school graduates, and their cognitive behavior in their development as entrepreneurs; learning and incapacity; their individual perception of poverty and social exclusion; interpersonal interactions with the members of the group they belong to; b.) "Theories about groups" (Yin 2005), about vulnerable social groups, professional associations and their functioning, theories about unemployed persons and university and secondary school graduates that are part of social vulnerable groups, work teams within professional associations; c.) "Organizational theories" (Yin, 2005) such as theories about organizing structures, bureaucracy, organizational functions, organizational performance and partnerships within Professional Associations, having the role of initiating and developing social businesses by means of social entrepreneurship. d.) "Societal theories" (Yin, 2005), such as for instance the identification of poverty and social exclusion in Romania, the definition of the two issues mentioned before, and of relevant indicators and indices that demonstrate their existence, the comparison of such indicators to the situation in Europe, their role in generating vulnerable social groups.

We first present the theory in relation to the primary analysis unit, which includes a part of social vulnerable groups in Romania, generated by the phenomena of poverty and social exclusion, i.e. the unemployed and the graduates of universities and secondary education. As a rule, vulnerable social groups in Romania are "socially excluded groups, made up of either unemployed person (the unemployed and the graduates of universities and secondary education without a job), single-parent families, persons with disabilities, drug-users, immigrants and refugees, children and young people facing situations involving multiple risks, persons with health problems, etc. Once formed, such groups develop a lifestyle that differs from that of the rest of the community in which they live, which determines their subsequent social exclusion and adaptation problems, their isolation to the periphery of the society, their labelling, stigmatization and discrimination" (Buzducea – coord. 2013). An extremely vulnerable group is represented by the unemployed and persons without a job, in our case the young university graduates. The negative outcomes of the significant changes wrought by post-capitalism generate "social costs". Some Romanian authors argue that "unemployment generates a series of costs, among the

most important one being the social and the financial ones, generated by the payment of direct support, as well as the economic one, generated by the limitation in the quantity of goods and services, and the psychological one, materialized in increased stress in the case of the unemployed" (Pop, Cojocaru, 2008). The relevant indicators and indices that define such vulnerable social groups (the unemployed and the graduates of universities and secondary education without any occupation) and which are discussed in our study are as follows: 1. The occupation of workforce in Romania, expressed by the occupation rate at both national and European level; 2.) The dimensions of the unemployment phenomenon in Romania, as compared to Europe and indicated by a) the unemployment rate (International Labor Office), overall and by gender, regarded as the ratio between the number of unemployed, according to The International Labor Office (ILO). ILO defines the unemployed as "persons aged 15-74 years who, during the reference period, meet the following conditions: they don't have a job and are not hired with the view of obtaining revenue; are looking for a job, having used, during the last 4 weeks (including the reference week) different methods of finding a job; they are available to start work within the next two weeks (including the week in which the interview took place), if they immediately find a job; and all the economically active population includes all persons who provide labor for the production of goods and services, including the employed population and the unemployed" (NSI, http://www.insse.ro/cms/files/Web_IDD_BD_ro/index.htm); b.) the ILO unemployment rate in terms of educational level in Romania, represented as the "ratio between the number of the unemployed, defined according to ILO criteria, and the total active population, expressed as percentage" (NSI, http://www.insse.ro/cms/files/Web_IDD_BD_ro/index.htm); c) the unemployment rate in relation to age groups, expressed as the "ratio between the number of the unemployed, defined according to ILO criteria and the total active population, expressed as percentage" (NSI, *Ibidem*). As regards the vulnerable social group of university and secondary school graduates in Romania, we define as relevant indicators 3) the rate of early leaving of the educational system by young persons, being considered as the "ratio between the population aged 18-24, with elementary level of education (low), that has not done any form of training (formal or non-formal) in the last four weeks preceding the interview, and the total population aged 18-24. People with low level of education include persons who have completed at most secondary or primary school, or have been involved in no educational system at all" (NSI *ibid*); 4) the increase of the total employed population (15-65 years and above), "represents the percentage change in total employed population of working age (15-65 years and over) in the current period as compared to the previous period" (NSI, *ibid*); 5) the share of the population with low education level by age, represented by the "ratio between the population aged 25-64, with low level of education, and the total population in the same age group" (NSI, *ibid*); 6) the share of persons able to use the computer, expressed by the percentage of "persons aged 16-74, by the level of their skills (low, medium or high) in computer use, and the total number of persons aged 16-74, who are able to use the computer" (NSI, *ibid*); 7) the percentage of people in terms of Internet use skills, expressed as "the share of the population aged 16-74, by the level of their skills (low, medium or high) in Internet usage, and the total number of persons aged

16-74" (NSI, *ibid*); 8) employment among young graduates in Europe (EUROSTAT, <http://ec.europa.eu/eurostat/web/main/home>); 9) the evolution of the unemployment rate in Romania (ILO Unemployment, Posted by the NSI on 03/11/2016, , <http://www.insse.ro/cms/ro/content/%C8%99omajul-bim-7>). The data obtained from the sources mentioned above are gathered using the graphic and the table-building technique. The purpose of presenting such data is that of generating a picture of the unemployment process in Romania, as well as indicating the phenomenon of leaving of the educational environment by young persons (aged 18-24), the evolution and changes in the structure of the employed population with an appropriate work age (15-65 and above) by the level of instruction of persons aged 25-64 years old, the competences in the field of computer-use and Internet-use. The interpretation of such data points at their connection to the hypothesis, as they are primarily the outcome of poverty and social exclusion (the logical unit with the analysis unit of the context); secondly it represents the object on which Romanian Professional Associations act, using the model of social entrepreneurship in order to reduce causes such as poverty and social exclusion (the logical connection with the embedded analysis unit). Gathering such data is necessary for completing the analysis.

Conceptualizing the analysis unit for the context in which the case is identified is necessary so as to eliminate the false assumption that the terms of risk and social exclusion are present only somewhere at the periphery of the society; in fact, they are found exactly at the center of social organization, meaning that they lie at the basis of society, "among particular configurations of paid work relations and social protection." (Rotariu, Voineagu, coord., Raț, 2012). The causes of poverty and social exclusion are multiple. The concept of poverty refers mainly to the absence of material resources, of income, while social exclusion is a much broader concept, which reflects the impossibility of participation, in the case of disadvantaged groups, made up of "individuals that became excluded due to economic circumstances, lack of education, lack of state concern for their problems" and of "entire communities excluded due to political and historical circumstances" (Preda, 2002); it also refers to different aspects of social life: (access to the workforce, public health or educational services, political life, as well as the manifestation of different forms of discrimination" (Buzducea, coord., Alexiu, 2013). With all the conceptual delimitations that exist between poverty and social exclusion, they both contribute, together with other phenomena, such as marginalization, underclass, etc. to the generation of vulnerable social groups: the unemployed persons and the graduates of universities and secondary education, without an occupation, who are part of our hypothesis. Relevant indicators for defining phenomena that generate social vulnerable groups are: 1.) the number of the stable residential population of Romania, calculated according to the methodology in the field, including "the total number of persons that have their habitual residence in Romania, for a period of at least 12 months" (NSI, <http://www.insse.ro/cms/>); 2) the evolution of the gross domestic product in Romania. The gross national income (at market prices) includes "all primary income received by resident institutional units: paying the wages of employees, taxes on production and imports, less subsidies, revenues related to property (receivable, less the payable ones), the gross operating surplus and the mixed income "(NSI, http://www.insse.ro/cms/files/Web_IDD_BD_

ro/index.htm); 3) change in actual GDP per capita % as compared to the previous year in Europe (EUROSTAT, <http://ec.europa.eu/eurostat/web/main/home>); 4) The public debt in Romania understood as "the duty of the State to third parties, such as private individuals, legal entities, banks, national or international companies that bought bonds issued by the state in order to cover the financial needs of the state" (NSI, *ibid*); 5) The average rate of inflation in Romania as expressed by the average increase of consumption prices in one year compared to the last year and, being considered "the ratio, expressed as a percentage, between the average price index in a year and the previous year, of which we subtract 100 "(NSI, *ibid*); 6) the growth rate of the GDP per capita in Romania defined as "the growth rate of the gross domestic product (GDP) per capita, expressed as a percentage change over the previous year" (NSI, *ibid*). GDP is the primary indicator for evaluating national economy; 7) the rate of poverty after social transfers is defined as "the percentage of poor people (using the relative estimation) of the total population" (NSI, *ibid*). According to this method, poor persons are considered "people in households who have disposable income per adult-equivalent (including or excluding consumption from personal resources) below the poverty line (the poverty line is 60% of the median income per adult-equivalent "(NSI, *ibid*); 8) GDP / capita by region expressed as "complete value of goods and services produced in a region divided by the number of people existing in the region "(NSI, *ibid*); 9) index of income inequality (the ratio between the top quintile and the lowest quintile). This index "estimates how much higher are available income per adult-equivalent (including or excluding the equivalent consumption from personal resources) obtained from all individuals in quintile 5 (the rich) as compared to the income obtained by the people in quintile 1 (the poorest), the distribution of population by disposable income per adult-equivalent "(NSI, *ibid*); 10) the gross savings of the population as a percentage of the GDP are the "balance of disposable income to the household sector as a percentage of the GDP" (NSI, *ibid*); 11) the economic dependency ratio in households, by age, is expressed as "the ratio between the number of people in households where no member is employed and the total number of people in households, expressed as a percentage" (NSI, *ibid*); 12) gender-related pay gap, which in unadjusted form (according to Eurostat methodology) is the "percent indicating the difference between the average gross salary schedule for men and women in the average gross salary schedule for men, expressed as a percentage" (NSI, *ibid*); 13) public spending on education in Romania are expressed by "the share of public expenditure for education from the GNP in a particular financial year" (NSI, *ibid*); 14) internal and external migration in Romania, the internal one representing the changes of address within the country's border (NSI, *ibid*) and the external one is the result of changing habitual residence, by gender (Tudorel, 2016) (<http://www.insse.ro/cms/en/content/statistical-yearbook-the-rom%20C3%A2-2016-book-format>). The method of data gathering by the table and graphs method has the purpose of identifying the number of the residential population in Romania, the extent of national income, the dynamics of economic development in different time periods, measuring the frequency of poor persons, the economic performance at regional level, measuring the inequality of income, measuring the part of gross available revenue that is not aimed at consumption,

the degree of economic dependence of persons in households where no person is employed, as compared to the total population (members of all households), the pay gap between men and women, highlighting the proportion of annual national financial achievement allocated by the government to education development, the percentage of the population moving to other places of residence. They are all data demonstrating the existence of poverty and social exclusion of vulnerable social groups in the context that generates the presence of: the unemployed and university and secondary school graduates without an occupation; it is also a proof of the need to develop social businesses by Professional Associations, using the model of social entrepreneurship. From here we appreciate the logical cause and effect relationships between the analysis unit of the context and the primary analysis unit, as well as the logical connection of necessity between the unit of analysis of the context and the solution of the embedded analysis unit. The following chapters focus on collecting and analyzing data.

Theory concerning the embedded unit of analysis follows those models of organizational theory that regard the structuring, within the four Professional Associations, of a unit to deal with social business. Then it focuses on societal theories aimed at developing social business in Romanian society with its urban development and behavior in social business. Professional Associations of the Romanian economic environment are "organizations with legal personality, non-patrimonial purpose, consisting of individuals, called members, who belong to the same profession or to related professions, contributing both materially and with their knowledge and work to achieve specific objectives" (Rubinian Dictionary, 2016). They are constituted by the free association of their members in accordance with the Romanian law, by the articles of association and statute adopted in the general meeting of the shareholders. The following Professional Associations, from the economic environment in Romania, have been considered in this study: The Association „The Romanian Society of Engineers Activating in the Fields of Oil and Gas”, the Association of Managers and Economists Engineers in Romania, the General Association of Engineers in Romania, the General Association of Economists in Romania.

The Association „The Romanian Society of Engineers Activating in the Fields of Oil and Gas” functions as a non-patrimonial professional association, as a Romanian private legal entity. The main aim of this Association is “ to create a partnership among the specialist within the association and the public authorities in making decisions and setting norms emitted by these on the development and exploitation, in the national interest, of the mineral resources of hydrocarbons and of the existing oil-gas infrastructure, with the protection of the environment, the improvement of professional competences and international prestige of Romanian specialists in activities related to oil-gas extraction and processing, by developing professional relationships; alignment with international standards and requirements in the field, acquiring an important and stable position on the market of hydrocarbons, equipment and specialized services "(SIPG, <http://www.sipg.ro>). As indicated by the purpose of the association, it can develop a social business structure, using the model of social entrepreneurship for unemployed graduates of higher and secondary education related to the oil field.

The association of Managers and Economists Engineers in Romania (AMEER) has adopted the mission of “improving the degree of excellence, the evaluation and certification of managerial quality and, in relation to this, the improvement of education with managerial character in all its forms. At the same time, it promotes the profession (occupation) of economist engineer” (AMIER, <http://www.amier.org/>). From the objectives of this association it can be understood that it organizes activities such as: training, advising, documentation, technological transfer, audits, post-graduate courses, etc., therefore the social business structure of the association can use the model of social entrepreneurship for the unemployed and graduates of university and secondary education from fields related to the different domains of economy.

The General Association of Engineers in Romania is “ the actual continuator of engineering associations that successively had the following names: the Polytechnic Society, the General Association of Engineers in Romania, the Scientific Association of Technicians, the Scientific Association of Engineers and Technicians and The National Council of Engineers and Technicians” (AGIR, <http://www.agir.ro/>). The objectives of AGIR allow it to adopt a social business structure using social entrepreneurship for the graduates of university and secondary education from technical domains, in order to “create a basis for the continuous improvement of engineering activities characterized by professional excellence and improvement, through the respect for human and social values and by its availability for information and communication” (AGIR, *ibidem*).

The objectives of the General Association of Economists in Romania allow it to organize social business structures, using social entrepreneurship in the case of all unemployed persons and graduates of universities and secondary education related to the entire economic environment. Among the objectives referred to here one can mention: “the collaboration with economic, public, educational, research and union institutions, with the view of promoting and developing the national economic interest, as well as new economies; the organization of training courses for its members, with the aim of improving the efficiency of their activity and the periodical professional attestation of its members; to contribute to the activity of improving Romanian legislation by furthering proposals for improvement and proposals for laws, etc.” (AGER, <http://www.asociaaieconomistilor.ro>).

The social business is a new type of enterprise, based on “people’s generosity” (Yunus, 2010). Yunus Muhammad (2010) has introduced the “idea of a new form of capitalism and of a new type of enterprise, based on people’s generosity”. Such business aims at “completely eliminating social, economic and environmental problems and reduce, at the same time, the consequences of many other problems that have been affecting humankind for such a long time: starvation, lack of homes, disease, pollution, lack of education” (Yunus, 2010). In our case, the Professional Associations defined above are called to contribute, using the model of social entrepreneurship, and thus becoming social agents, to building such enterprises, with the view of eliminating the social problems of the groups analyzed here: the unemployed and the graduates of universities and secondary education, in their field of activity.

Associations should get involved and understand the efforts of those without income

(the unemployed and university and secondary education graduates without a job) to be able to obtain the amounts of money they need in order to live. The first steps undertaken by such associations, after initiating social business structures, would be to ask the Government to propose laws that would determine the banking system in Romania to ensure cheap loans, i.e. loans with infinitesimal interest, with grace periods for the unemployed graduates of higher education who want to become entrepreneurs. Associations may continue to be involved by providing financial support obtained from the large and small corporations in their field, sponsorships, donations, possibly from the activity of buying and selling products from the entrepreneurs who come from among the unemployed and the graduates of higher and secondary education, whom they have included in their social entrepreneurship, instructed to become entrepreneurs, helped to initiate and develop their own entrepreneurship. The Associations' activity of social entrepreneurship can be conducted on an IT platform which allows highlighting all information about the unemployed, jobless graduates, starting with the stage of their registration, training, offering financial support for initiating and developing their own business, and subsequently helping in the development, manufacturing and selling of products. In this way, Associations determine the persons they help to become "creators of jobs, rather than job seekers" (Yunus, 2010). If poverty and social exclusion have become a way of life, they must have many faces and therefore must be addressed from several directions, "and no approach is insignificant" (Yunus, 2010). Associations must test all approaches to climb from one level to another and within their conceptual framework on social businesses, through social entrepreneurship. Moving to a higher concept will not only help eradicate poverty and social exclusion; the new concept will bring about a change in the architecture of Romanian economy through a new form of capitalism, "causing it to approach a functional framework that is complete and satisfactory and eliminate the initial cracks that lead to poverty and environmental damages. This is the concept of social business" (Yunus, 2010).

Entrepreneurship is one of the models we perceive as instrument that can contribute to the setting of social businesses by Professional Associations, showing them "the path from ideas to opportunities and to success in business" (Ghenea, 2011). The definition of entrepreneurship has several sources. In The Dictionary of Romanian Language, the idea of entrepreneurship is limited to the notion of "enterprise", namely "the enterprise that executes industrial, commercial, business activities". The notion of entrepreneurship is not present in the Dictionary of Romanian Language. Other formulas have been quoted by Marius Ghenea (2011): "An entrepreneur is an intermediary between capital and labor", "An entrepreneur is a person who is willing and able to convert a new idea or invention into a successful business", "An entrepreneur is someone who organizes a business venture and assumes the risk for it", "An entrepreneur is a person who has possession of a new enterprise, venture or idea, and assumes significant accountability for the inherent risks" and the one proposed by the author himself: "An entrepreneur is any person who looks at a problem and sees it as an opportunity, and then acts on it". There are several domains that, "based on one idea or on a set of ideas, people can develop valuable projects, even if these are not business, but other types of projects: social, political,

research, etc.". In such conditions we can speak of social entrepreneurs, political entrepreneurs, entrepreneurs in the field of research, etc. The social entrepreneurship we speak about has existed for a long time, but it was identified and defined only after the 1960s (Ghenea, 2011). Professional associations will develop this entrepreneurial activity after they have identified the social problem of unemployment and the existence of university and secondary school graduates without a job, in their field of activity and tried to solve such social problems by specific entrepreneurial methods, i.e. by restructuring the association and finding solutions for action, financing and development of structures that would deal with social problems (unemployed and graduates). Such an activity is not necessarily oriented towards profit, but it has to be efficient so as the social objectives set to be attained. Thus, associations have to regard this activity as one aimed at profit, so as to be able to maximize the lucrateness of money it can attract from different sources: donations, sponsorship, social responsibility programs of different corporations, governmental programs, European structural programs, etc. All their actions should be done as professionally as possible, "so as to multiply their effect".

So far, in Romania, there are few non-governmental organizations that act as social entrepreneurs and it is possible that they might not have the abilities and specific knowledge needed for social entrepreneurship and often the results they obtain prove too modest in relation to the funds allocated to them or to the money they were able to attract. In our view, those who are directly responsible for such activities should have entrepreneurial studies. By conceptualizing the incorporated unit of analysis, it becomes obvious that the Professional Associations referred to in this study are able to develop social business using the entrepreneurship model, in order to solve the social problems of the unemployed and of university and secondary education graduates and implicitly eradicate poverty and social exclusion that generate such vulnerable groups. There is some logical connection between the incorporated unit and the primary unit of analysis, which identifies the social problem, as well as between the incorporated unit and the contextual unit for which they offer a solution by means of social business on the entrepreneurship model, in order to eradicate the context. The following stages we are going to approach are those of gathering data and analyzing them, as well as the conclusion or the research report.

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