Key Skills and Competences for Social Business Advisors: Views from Experts

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ABSTRACT

The aim of the present article is to analyze the training needs as a difference between the current and desired state of knowledge, skills and qualifications of business advisors to provide the necessary consulting services to social intermediaries and social enterprises. Professional profiles of social business consultants are presented on the basis of published job requirements in organizations providing business consulting to social enterprises and by some organizations outside the country due to the poor development of these activities at national level. The research includes the results of 30 interviews with three categories of “Business advisors”, “Business advisors’ entities” and “Social entrepreneurs”. Business advisors usually provide financial and strategic advice to small and mid-sized companies, cooperatives, social enterprises and other formats of company formations. The business advisors must also have an excellent business sense and keen communication skills in order to be able to adequately support social entrepreneurs.

During the last decade, the scope of the concept of social entrepreneurship has been widening and the interest in creating social enterprises has been growing steadily (Monzón & Chaves, 2012). One reason is the fact that the social enterprise is established at European Union (EU) level as a key instrument to bring the regions closer to each other and to overcome the problems related to poverty and social exclusion. The policy for encouraging social economy and creation of social enterprises is laid down in Europe 20201 Strategy Program.

1 Europe 2020: http://ec.europa.eu/europe2020/index_en.htm

Keywords:
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The importance of social entrepreneurship is expressed in the following main areas:

- Delivery of social services;
- Establishment of a network of long-term care services;
- Building of social facilities, including for the most vulnerable representatives of the gypsy community;
- Creation of integrated social, health and educational services for homeless people;
- Promotion of employment opportunities and career development for unemployed people, disabled persons and other vulnerable groups, as well as assistance in finding or returning to work;
- Promotion of opportunities for self-employment, entrepreneurship, starting an independent business.

Social enterprises are a relatively new economic phenomenon; they face complex requirements in a turbulent environment (Defourny & Nyssens, 2010). That is why many social enterprises need business support and mentoring as well as identification of different models of successful work. A number of studies have concluded that effective support includes consultations and training (Allinson, Braidford, Houston, Robinson, & Stone, 2011; SESBA 02, 2016).

Social enterprises are created to achieve social objectives (overcoming social injustice and social inequalities of vulnerable groups of people or achieve important public goals in the fields of ecology and sustainable development) and subject their economic activity to goals of profit in favor of individuals. Social enterprises pursue a direct leading goal to create social benefits in the public interest or for their members. Social enterprises seek mainly support and consultations from experienced practicing business consultants and advisors who not only understand the social sector but also possess the necessary skills, qualifications and competencies to provide quality advice. The support and promotion of social enterprises can contribute to maximizing their growth potential and capacity to create social added value, expressed in terms of job creation, creative approaches to small business, new opportunities for social inclusion and income development activities of civil organizations².

The main lack of support is the existence of a significant gap between the current and the desired state of knowledge, skills and competencies of business advisors and the need to overcome this gap through training and improvement of qualification. The professional profile of the business advisors of social enterprises regarding the existing qualifications, skills and needs in the context of the European Qualifications Framework for Lifelong Learning (EQF) and its implementation in Bulgaria, shows poor development of these activities at national level.

An assessment of the sector and a study of the existing practices have shown that social enterprises need additional capacity, both in the development of projects to bring additional funding, as well as in the development of organizational capacity, strategic and business planning. Further training is needed in the field of business planning, accounting, financial

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management, marketing, partnership building and coalitions, fund-raising, etc. (Terziev et al., 2016a).

Specialized trainings in social entrepreneurship and consultancy tools provided to business advisors are considered to be oriented towards the acquisition of knowledge, skills and competencies in the field of management and communication, with a special emphasis on social entrepreneurship, social innovation and skills (Terziev et al., 2016b). It is provided through targeted planning training activities that meet training needs and contemporary training methods and approaches as part of the lifelong learning concept. By appreciating the need for social entrepreneurship education, business advisors focus on strategic management, business planning, participation in funding programs, legal services and market access. The need for training in the area of marketing analysis, technology and leadership is regarded as acquisition of key skills necessary for working in external environment.

The fields of specialized trainings in social entrepreneurship vary according to the consultancy services but they are aimed at management, planning and business development. The personal competencies and interpersonal skills necessary for the work of business consultants and advisors include communication, collaboration and presentation skills, analytical and critical thinking skills, organizational skills, problem-solving skills, innovative thinking, leadership skills, teamwork, time management and digital skills. Their duties and tasks are focused on providing support in various fields, especially business planning, business development and management, project management, training, coaching and mentoring.

It is necessary the good practices and training models for acquiring skills and additional qualifications to be found and promoted, as well as to create conditions for sharing good examples through creation of national and international networks for exchange of knowledge and experience.

The aim of this article is to explore and identify some key skills, competencies, additional qualifications and training needs in terms of the gap between the current and the desired state of knowledge, skills and qualifications of the business advisors in order to ensure the necessary consultancy services to social entrepreneurs and social enterprises.

Methods

Data Skills and Competence for Social Business Advisors

In this section, the issues related to this study have been discussed in the following sub-headings: Relationship between skills and competences for social business advisors and Challenges and needs of training of the social business advisers - empirical review and theoretical framework.

Relationship between Skills and Competences for Social Business Advisors Data

Social enterprises play an important role in society by providing employment to people who are difficult to compete in the main labour market (Terziev et al., 2016c). Many social enterprises that need business support and mentoring are facing challenges in identifying different work patterns. Working in them requires flexibility, skills, competencies to address the challenges of the environment. It is considered that external consultants or business advisors are not fully aware of these differences and their impact (Allinson et al., 2011).
The development of the skills and competencies of business advisors aim to improve awareness and partnership relations with social enterprises. This development is based on the personal experience and achievements of business advisors, which it provides in the form of professional advice on a range of topics related to the social enterprises.

The knowledge, competence, and awareness of the business advisors is the ability to understand the expectations of social entrepreneurs and to decide how these expectations should be met.

The relationship between the skills and competencies of business advisors reflects the role of business advisors to identify the opportunities for improvement of social enterprise services and development of professional networks in the field of social entrepreneurship.

The main role of business advisors in advising social entrepreneurs is an advisory role. Business advisors have responsibility for decision-making and management within the framework of their joint work. The main skills of social advisors targeted at social entrepreneurship could be presented as follows in Table 1 (SESBA O2, 2016):

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Skills and Competencies of Social Business Advisors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational background and training</td>
<td>Business advisors in the field of social entrepreneurship are highly qualified specialists from different business sectors. Their education is most often in business economics and / or administration. Their education and experience allows them to engage in advisory activities such as attorneys, accountants, marketing and management experts of social activities, company managers, and others.</td>
</tr>
<tr>
<td>Fields of knowledge</td>
<td>Specific knowledge of social entrepreneurship</td>
</tr>
<tr>
<td>Various types of advice</td>
<td>Advisory skills in social entrepreneurship</td>
</tr>
<tr>
<td>Business Management</td>
<td>Knowledge of business and management principles involved in strategic planning, human, material and financial resources allocation, leadership technique, coordination of people and resources.</td>
</tr>
<tr>
<td>Economics and Accounting</td>
<td>Knowledge of economic and accounting principles and practices, financial and banking markets, analysis and reporting of financial data, managing financial flows and budgets.</td>
</tr>
<tr>
<td>Customer and Personal Service</td>
<td>Knowledge of principles and practices needs assessment and customer satisfaction, achievement of quality standards.</td>
</tr>
<tr>
<td>Law and Institutions</td>
<td>Knowledge of laws, legal codes, government regulations, etc, as well as the role of institutions to support, regulate and develop social entrepreneurship.</td>
</tr>
<tr>
<td>Human Resources management</td>
<td>Knowledge of the principles and procedures for recruitment, selection, development and training of business advisors in the field of social activities and entrepreneurship; settlement of labour relations in the social sphere.</td>
</tr>
<tr>
<td>Personal competences, interpersonal skills, digital skills</td>
<td>Active listening and listening ability, understanding of key issues, ability to ask questions; ability to use modern digital technologies for communication and interpersonal contacts and understanding; avoiding conflicts and inconsistencies.</td>
</tr>
<tr>
<td>Decision Making</td>
<td>Knowledge and ability to assess the relative costs and benefits of potential actions to select the most appropriate ones.</td>
</tr>
<tr>
<td>Critical Thinking</td>
<td>Use of logic and arguments to identify the strengths and weaknesses of alternative solutions in order to formulate accurate conclusions and choose approaches to solving problems.</td>
</tr>
<tr>
<td>Time Management</td>
<td>Knowledge and ability to effectively manage their own time and that of social entrepreneurs in the advisory process.</td>
</tr>
<tr>
<td>Problem solving</td>
<td>Ability to identify complex social issues, gather useful information, evaluate options and implement solutions.</td>
</tr>
<tr>
<td>Analysis skills</td>
<td>Knowledge and skills to analyze the characteristics and requirements of the services or products needed to implement social projects and analyze the needs of the client / social enterprises.</td>
</tr>
</tbody>
</table>

As a whole, the skills and competencies of business advisors intended for social entrepreneurs are focused on the effective management of a portfolio of clients participating in a variety of funded/sponsored schemes, programs and initiatives in order to help them and support the creation and sustainability of their own business, assistance of business planning, business development and management, project management, training or mentoring.
Challenges and Needs of Training of the Social Business Advisors

Assessing the training need of business advisors is essential to ensure the effective development of their skills and competencies. As Kaufman stated, “Need is the gap between current and desired (or required) results, or (stated another way) the gap in results between what is and what should be” (1994, p.14, as cited in Iqbal & Khan, 2011). Gupta, Sleezer, and Russ-Eft (2007) noted that a learning or performance gap between the current condition and the desired condition is called a “need”.

According to the literature training needs analysis is a process of identifying problems that are signaled by deficiencies in compliance with standards or external requirements and that can be resolved wholly or partly by training (Goldstein, 1993). The main purpose of a training need analysis is to perform a systematic exploration of the way things are and the way they should be; it is about the definition of the performance gap.

According to Tracey (2004, p. 678), “The first step in the training process is designed to identify performance gaps that can be remedied by training. It consists of surveillance, investigation, and data analysis.” In order to provide a comprehensive training need analysis, an assessment is needed in order to obtain information on the two states (current versus desired), compare them, identify gaps, and arrive at needs-based priorities for further actions (Altschuld & Lepicki 2010, as cited in Iqbal & Khan, 2010).

For the purposes of the study we assume that the gap is the difference between what business advisors know and are capable of and what they should know and be capable of in order to provide advisory services customized to social entrepreneurs needs and culture.

In this framework, the analysis of training needs is the identification of the gap between the status quo, the current situation, and the necessary situation in providing business consultations with regard to the need of skills, in particular in providing services to social entrepreneurs and businesses. The main highlights of the analysis should include the following questions: identification of the existing qualifications of business advisors, including education, specialization, professional experience; identification of the interpersonal skills and competencies of those working in the business consultancy sector; identification of characteristics of effective support for social entrepreneurs; assessment of the skills requirements regarding the provision of support in the field of social entrepreneurship with a focus on techniques for consultancy support; assessment of business consultants’ lack of skills in the field of social entrepreneurship and support of social enterprises. Therefore, the analysis of the training needs depends on:

• the extent to which it can accurately diagnose the current situation;
• the extent to which all persons directly involved are able to realistically and accurately describe capacity, services provision, objectives, plans, strategies, etc.
• the degree to which external factors such as the characteristics of social entrepreneurs themselves, changes in the field, state policies and similar issues are taken into account.
• the degree of understanding of future developments and the accuracy of predictions, etc.
According to the international literature, the implementation of training need analysis usually examines training needs at three levels: organizational, task and individual (Gupta et al., 2007).

Training assessment at the organizational level aims at the identification of all the necessary interventions for the development of the effectiveness of organization staff members. It deals with the impact of institutional changes, the enhancement of revenues, changes in technologies and general issues that influence the organizations and the effectiveness of labour. At this level, legal documents, official papers, business plans, reports, expert opinions are used.

Training needs assessment at task level aims to identify the necessary knowledge, skills and qualifications of persons in order for them to be able to achieve the ideal point of effectiveness in specific tasks.

The assessment of training at organizational level aims at identifying all necessary interventions to develop the effectiveness of the staff members of an organization. It examines the impact of institutional changes, the increased incomes, the technological changes as well as the general issues that affect organizations and work efficiency.

At individual level, the analysis of the need for training refers to the determination of the differences between the available and the desired knowledge and skills necessary for the adequate implementation of a task and focuses mainly on the individuals themselves.

Given these levels and the fact that business advisors providing services to social enterprises can have different employee status (they can be independent employees or employees in other economic entities – private or public), the analysis of the training needs should include the three levels, with different limiting ranges according to the objectives set.

Research Design
The survey presents the results of a pilot study held in Bulgaria under the SESBA Project - Social Enterprise Skills for Business advisors. The field studies were carried out on the basis of primary and secondary data. The collection of the primary data was carried out in two parts. The first part included a questionnaire survey to collect information and data by using a face-to-face interview. One hundred and four representatives of different types of organizations from the South Central Region /SCR/, administrative district of Plovdiv were interviewed. About 47% of the social enterprises of SCR were concentrated in the administrative district of Plovdiv. The share of non-financial enterprises identifying themselves as social enterprises was 66% and 34% for those identifying themselves as non-profit enterprises. The survey included representatives of small and medium-sized enterprises, social enterprises, training and non-governmental organizations which support social entrepreneurs or provide consultancy services on the following issues: a) Types of organizations providing consulting to social entrepreneurs, b) Business advisory offered to social entrepreneurs, c) Supporting frame for social entrepreneurship start up, and d) Social entrepreneurs need for advisory.

In the second part of the study, the following information gathering techniques were applied for the purposes of this analysis of the training needs of business advisors: Review of existing documents, Individual interviews, and Discussions with relevant bodies/stakeholders. These techniques were also supported by a survey, which included structured questions to the
following experts: business advisory entities; business advisors as individuals; social entrepreneurs. 10 representatives were interviewed from each group.

The secondary data were extracted from official data, reports and official websites, etc. The main issues which were explored concerned:

- Job profile of business advisors (duties and tasks, knowledge, skills, education specialization, career paths, legal framework, employment status, trends and prospects).
- Existing qualifications, skills and further needs.
- The need for business support from social entrepreneurs and ways of exploitation of business support.
- Supply of business support from business advisors (at all the stages of the development of a social enterprise).
- Factors influencing demand for business support (lack of awareness, social entrepreneurs’ perceptions of business support, etc.).
- Ways of developing demand for business support.
- The requirements of business advisors providing services to social entrepreneurs and ways for effective support to social enterprises.

Results and Discussion

The biggest share belonged to the respondents who identified themselves in the category of business enterprises (59%). Representatives of regional bodies providing support to enterprises or consultancy services (13%) were also well represented as well as the representatives of training organizations (8%). The majority of respondents were in the age group from 30 to 55 years (67%) and had university education (82%) since the study was oriented towards representatives of organizations who performed expert functions or held managerial positions.

The current skills, the acquired qualifications, the competencies and expertise of respondents were mainly in the following areas: work in cooperatives, including social cooperatives; work in the social sector; work with children, persons and families of risk groups; work with people from social facilities; volunteer work; work as a lecturer, incl. training of children with special educational needs; work as an accountant, incl. of social enterprises; experience abroad (Canada), incl. observations on the development of social entrepreneurship; management of human resources in the enterprise; work in a non-governmental organization; work in municipal structures.

The specialized skills and competencies in social entrepreneurship and consultancy tools provided to business advisors were oriented towards the main goals and aspirations of the business organizations. The ambition of the respondents was to acquire skills to achieve responsibility and profit, followed by social values and professional relations, communication with the external environment and career development. Placing the responsibility before the profit is indicative of the general opinion on the need to change to new business models oriented towards something more than just profit, in particular, linking the activities of organizations to significant social goals. The ambition for achieving professional development was clearly outlined. The role of professional relations raises some important issues in front of the business advisors regarding the following: identification of the existing qualifications of
business advisors, including education, specialization, expertise; what the important goals to be achieved are and what skills should be acquired, how they should be acquired and what actions should be undertaken to develop them; what type of training should be undertaken as part of the lifelong learning concept; identification of the interpersonal skills and competencies to provide business advice and which of the upcoming skills should continue to evolve and what new relationships should be built. The deliberate pursuit of social value opportunities challenges business advisors to work on skills for developing strategies to maximize their social impact. The issue of personal relationships shows larger variations in comparison to the rest, and when the results are averaged it takes the last place (Figure 1).

Figure 1. Assessment of the importance of business objectives

Business advisors often believe that the needs of support for social enterprises are broadly similar to those for traditional enterprises. Sometimes, however, the decision-making process and the provision of support in the social enterprise are complicated due to the social cause and objectives. The study showed some specifics of the needs and requirements of social enterprises, as well as the key differences between traditional and social business support models. Social enterprises need support related to consultation and training. The need for specific types of consultancy services is set out in Figure 2.
Regarding the need of types of consultancy services, the respondents strongly emphasized those services in the field of management, financing of activities and participation in funding programs, fund-raising, strategic management, legal services and access to markets. Consultancy services in the field of business planning, technology, marketing analysis and participation leadership also received a good assessment.

Business advisors face a number of obligations and tasks when providing services to social enterprises. They should be aware of their role and scope within the social enterprise. A set of skills and qualifications are needed to enable the advisors to provide their services most effectively. The required skills and competencies vary depending on the nature of the consultancy services, but they are mainly focused on business management and business development.

The assessment of entrepreneurial skills in social enterprises ranges from good to very good for all of the skills listed in the following descending gradation: management; teamwork; initiative; communication skills; openness to change; innovation; organizational structure and culture; independent decision making; identifying new business opportunities; pro-activity; volunteer management; risk assessment and management; understanding the motivation and views of stakeholders; relation to local communities; cooperation with local authorities and institutions; networking; adaptability; creative thinking in vague problems; problem definition, opportunities and solutions to create value; participatory leadership; resistance to and learning through mistakes; action after analysis; democratic governance; obtaining legitimacy; pursuit of personal realization as a member of a value-creating profession (Figure 3). The respondents stated that all forms of education (formal, informal and non-formal) are essential for developing entrepreneurial competencies.
In addition, the study set out the role of advisors in the training of employees in social enterprises, the realization of contacts and lasting relationships with social partners as well as the opportunities for development of social activities and communication. 66% of the respondents stated that they fully agree with specialized trainings in the field of social entrepreneurship. Vocational/professional training was the most appropriate according to the average assessments given by the respondents, followed by non-formal and informal education. In terms of higher and secondary education the fluctuations were greater.

The main content of the training is to understand the role of the business advisor in identifying the opportunities for improvement of services for social enterprises, development of professional networks in the field of social entrepreneurship. This will contribute to a better understanding of the expectations of social enterprises and will decide how these expectations need to be met.

**Conclusion**

Social entrepreneurship is identified at European Union (EU) as a key instrument for regional cohesion and overcoming the problems of poverty and social exclusion. Social entrepreneurship as a concept allows the creation of alternative models of social enterprises to carry out business activity which is market oriented and at the same time integrates all market entities - employees, employers, investors, consumers, etc. The need for social entrepreneurship develops new patterns of active social assistance and inclusion in which consumers and customers are encouraged to take on greater responsibility. Social benefits are measured by the integration and employment of disadvantaged people, by contributing to the process of social inclusion and social capital creation.

The role of social enterprises and their development in contemporary society is recently discussed through the perspectives set in the EU strategy for smart, sustainable and inclusive growth. The contribution of social enterprises to socio-economic development can be seen from different perspectives:
• providing access to basic services (social, educational and health) of local communities, including for most vulnerable population groups;
• contribution to a more balanced use of local resources, with the support of stakeholders, which promotes inclusive governance models enabling local communities to make strategic decisions;
• support the creation of new jobs as a result of the provision of new services provided to disadvantaged people;
• inclusion in the labour market of minority groups, single women, people with disabilities, etc., who remain excluded from income generation opportunities.

Social enterprises need mainly support and advice provided by well-trained practicing business advisors who possess the necessary key skills, qualifications and competencies to provide quality advice for the development of social enterprises.

There is a strong need for trainings focusing on the acquisition of knowledge and skills for social entrepreneurship, consultancy techniques and acquisition of soft skills. The problems in providing consultancy services to social enterprises are mainly due to the lack of information, knowledge and lack of adequate, timely and sufficient support, which, again, draws the attention to the need for specialized training for business advisors that covers a number of issues in the area of law, governance, economy and finance of social enterprise.

This is also confirmed by the studies involving business advisors and representatives of social enterprises and social partners who support the need for training as well as the creation of social value to challenge business advisors to work on skills for developing strategies to maximize their social impact. The focus on the need for consultancy services is placed in the field of management, financing of activities and participation in funding programs, fundraising, strategic management, business planning, legal services and access to markets. The goal is to acquire key skills and competencies to achieve responsibility and profit, followed by social values and professional relations, communication with the external environment and career development. Placing the responsibility before the profit is indicative of the need to change to new business models oriented towards particular linking of the activities of organizations to significant social goals.

Business advisors usually provide financial and strategic advice to small and mid-sized companies, cooperatives, social enterprises and other formats of company formations. The business advisors must also have an excellent business sense and keen communication skills in order to be able to adequately support social entrepreneurs. The skills and competencies required for business advisors vary according to the types of consultancy services, but they are mainly aimed at business management and business development. The personal competencies and interpersonal skills needed for the position of a business advisor include: communication, collaboration and presentation skills, analytical and critical thinking skills, organizational skills, problem-solving skills, innovative thinking, leadership skills, teamwork, time management and digital skills. Their duties and tasks are focused on providing support in various fields, especially business planning, business development and management, project management, training and mentoring. There is a need for qualification and/or experience in the field of business coaching, mentoring and development of small enterprises or social enterprises as well as knowledge and understanding of key areas related to starting a business;
knowledge and experience in preparation and management of financing processes; experience in business development or the professional role of the client; experience in working with disadvantaged people; proven experience in providing advice and training for social enterprises; experience in using interactive media for training and presentations.

**Implications and Suggestions for Future Research**

Specialized trainings in social entrepreneurship and consultancy tools provided to business advisors should be oriented towards the acquisition of knowledge, skills and competencies in the field of management and communication, with a special emphasis on social entrepreneurship, social innovation and skills. It is possible through targeted, planning training activities that correspond to the identified learning needs and modern methods and approaches in the provision of education as part of the lifelong learning concept.

The results of the study encourage further extension of the data collection scope and lead the theoretical development of the topic to future empirical research. Furthermore, the present study is the first quantitative approach to research the skills and qualifications of business consultants and advisors in social entrepreneurship in Bulgaria. The acquisition of knowledge and skills on behalf of business advisors is crucial for the future development of social enterprises in the country.

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