



# Influencing factors of social entrepreneurship opportunity identification in Ethnic Regions

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**Abstract.** The social entrepreneurship market and demand in China's ethnic regions are strong, but the reality is that the number of entrepreneurs is limited, and the overall effect of entrepreneurial project quality is mediocre. According to the survey, 67% of the respondents said the lack of quality projects is the primary factor, and the essence of the problem is the identification of entrepreneurial opportunities. Based on the social network analysis (SNA) theory, this paper analyzes the logical structure of specific influencing factors from the perspective of opportunity perception and process, focusing on the analysis of internal situational factors and external environmental factors, and obtains the homogeneity characteristics of social entrepreneurship opportunities and the specificity of social entrepreneurship opportunities in ethnic regions. Taking a case of social entrepreneurship project to analyze the influencing factors of social entrepreneurship opportunity identification in ethnic regions.

**Keywords:** Social Network Analysis; Social Entrepreneurship; Entrepreneurial Opportunity Identification.

## 1 Introduction

Social entrepreneurship is a new entrepreneurial model emerging in recent years, and its core model is to realize social services through profit-making. With the introduction of the national "mass entrepreneurship and innovation" policy, the number of entrepreneurs has been increasing. Especially since the release of the opinions of the State Council on promoting the high-quality development of innovation and entrepreneurship and creating an upgraded version of "mass entrepreneurship and innovation", more groups have been promoted to participate in innovation and entrepreneurship, and it is clearly required to launch special actions for innovation and entrepreneurship in ethnic regions to support Tibet, Xinjiang and other regions to accelerate the development of innovation and entrepreneurship. All kinds of survey data and the author's personal experience show that entrepreneurship in ethnic regions is booming, but the reality is that the number of social entrepreneurs in ethnic areas is limited, and the overall effect of entrepreneurial project quality is mediocre. The survey shows that 67% of respondents said that the lack of high-quality projects is the primary factor. The

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essence of this problem is the identification of entrepreneurial opportunities. Motivation can serve as the engine that turns intention into action, and, as such, is indispensable in the early phase of the entrepreneurial process, where opportunity recognition and exploitation are key.[1] However, research in this area has so far shed a selective spotlight on specific facets of entrepreneurial motivation, whereas the consideration of basic motives has been widely neglected.[2]

The identification of social entrepreneurship opportunities in ethnic areas is very important for entrepreneurs, society and government, which can effectively improve the efficiency of social development and operation. Then what influences the discovery of social entrepreneurship opportunities in ethnic regions and what those specific influencing factors are the topics to be discussed in this paper.

## **2 Research and methods**

### **2.1 Theoretical basis**

The entrepreneurial motivation is that entrepreneurs are willing to take various risks in order to establish new businesses. The driving force or incentive factor of risk is the driving force of individual entrepreneurial behavior. Entrepreneurs pursue achievement, and the entrepreneurial motivation is precisely to inspire and sustain entrepreneurs. The psychological process or internal drive to achieve goals, self-efficacy, and goal orientation. Entrepreneurial opportunity identification is first carried out under the specific political, economic and cultural environment, specific target markets, market segments and their development status, which is more related to the entrepreneur's personality, experience, educational background and quality of entrepreneurs. The combination between them comprehensively determines the quality of entrepreneurial opportunity identification. Barney proposed that entrepreneurial opportunities are generated and identified from the resource environment with demand, unique and barriers that cannot be imitated.[3]Erickson believes that social network is composed of social relations, including internal environment and external environment. When studying entrepreneurial opportunities, social network theory assumes the social network system as a whole to analyze and identify entrepreneurial opportunities. By the 1980s, social network analysis (SNA) was gradually applied in the fields of social entrepreneurship, such as management consulting, public health and crime fighting, to analyze and identify social entrepreneurship opportunities.

The tower system is an innovation and entrepreneurship education model originated from NCEE organization. Its theoretical basis comes from social network analysis (SNA). It is the specific application of this theory in innovation and entrepreneurship education.[4]It aims to enhance innovation spirit, entrepreneurship awareness, and innovation and entrepreneurship ability, and focuses on the identification and analysis of entrepreneurship opportunities, so as to improve the quality and level of choosing entrepreneurship projects, and to improve the success rate and efficiency of entrepreneurship.

## 2.2 Research ideas

Identifying valuable entrepreneurial opportunities is the starting point of entrepreneurial activities. First, from the perspective of opportunity perception, when facing an event, you can perceive business opportunities from it. Wang Qian described the identification of entrepreneurial opportunities as "Epiphany" with a "sense of scene". Second, from the perspective of process, entrepreneurship is the process of perceiving opportunities and establishing companies to pursue opportunities. Entrepreneurial opportunity identification is a process in which entrepreneurs perceive specific opportunities and make scientific evaluation and effective decision.

First of all, from the perspective of entrepreneurs, entrepreneurs have an innovative and divergent style. They can take greater risks, have a divergent thinking, and are more willing to seek for development opportunities in a dynamic environment. Secondly, for the situation ignored by others, entrepreneurs often can sensitively find corresponding opportunities, and they always maintain keen observation and effective judgment on the external entrepreneurial environment. However, there are also errors or even failures in the identification of entrepreneurial opportunities due to the failure to fully understand the characteristics, needs and cognitive differences. Thirdly, through the study of personal educational background, work experience and social experience, entrepreneurs have a good ability to identify relevant entrepreneurial opportunities, and entrepreneurs can also find entrepreneurial opportunities suitable for their own development from the unbalanced state of the market and complete the identification of entrepreneurial opportunities.

Focusing on the topic of identifying social entrepreneurship opportunities in ethnic regions, the focus is to analyze the social needs, especially the needs of the government, social managers and service providers. The key is to make a structural analysis of the social and network environment faced by entrepreneurship opportunities in ethnic minority areas.

## 2.3 Research methods

### (1) Literature research

Through the comprehensive retrieval, reading and sorting of the literature in the database of China CNKI, this paper studies and analyzes the latest research results in the fields of entrepreneurial motivation, entrepreneurial opportunities, social entrepreneurial opportunity identification and social entrepreneurial opportunity identification factors at home and abroad, and finds out the theoretical basis of social network analysis (SNA), and takes "tower system" specifically applied in innovation and entrepreneurship education as the entry perspective.

### (2) Analogy research

Analogy is a way of thinking guessing that other attributes may be the same or similar based on the same or similar attributes of two objects or two kinds of things. This paper infers and analyzes the influencing factors and identification of social entrepreneurship opportunities in ethnic minority areas based on the identification of

female entrepreneurship opportunities, college students' entrepreneurship opportunities, rural entrepreneurship opportunities and plateau entrepreneurship opportunities.

(3) Case study

On the basis of literature research, this paper selects and analyzes the case of Green farming and Green village social entrepreneurship in western Province, and obtains the research results through case reasoning and verifies them.

### 3 Analysis process

Opportunity-centered entrepreneurship research holds that entrepreneurs interpret the environment based on their own cognition and knowledge base and interact with the environment in a unique way, so opportunities and demands are heterogeneous. Therefore, scholars' studies on the influencing factors of entrepreneurial opportunity identification mainly focus on internal situational factors and external environmental factors, as shown in the Table 1.

**Table 1.** Influencing factors of entrepreneurial opportunity identification

Internal situational factors	External environmental factors
Entrepreneur experience entrepreneurial alertness Entrepreneurial passion Entrepreneurial learning Prior knowledge	Information resources Entrepreneurial network Entrepreneurial environment Entrepreneurship Education

—From author's organization

#### 3.1 Homogeneity of social entrepreneurship opportunities

Social entrepreneurship is mainly oriented to public needs such as hunger, environmental protection and education. Although there are differences, they are only structural differences. Therefore, homogeneity should be the focus of social entrepreneurship opportunity identification. The homogeneity of social entrepreneurial opportunities determines that opportunity identification and utilization are structural differences. On this basis, the key factors of social entrepreneurship opportunity identification can be explored by referring to the business entrepreneurship opportunity identification model. Whether social entrepreneurial opportunities can be transformed into action depends on whether social entrepreneurs closely track the changing needs of society, come up with timely and effective solutions, develop products or services, and find organizations or individuals to pay for them.

### **3.2 Specificity analysis of social entrepreneurship opportunities in Ethnic Areas**

The Lancang-Mekong Cooperation (LMC) is a new subregional cooperation mechanism jointly initiated and built by China, Cambodia, Laos, Myanmar, Thailand and Vietnam. It aims to deepen good neighborly friendship and practical cooperation among the six Lancang-Mekong countries and jointly maintain and promote sustainable peace, development and prosperity in the region. In promoting the development of the Lancang-Mekong ethnic areas, social entrepreneurship has injected new vitality into poverty reduction cooperation. By focusing on the development of lancang-Mekong ethnic areas and combining the problems and social pain points, a new idea of social entrepreneurship is proposed to seek a breakthrough in development.

The survey results of the socio-economic situation in ethnic minority areas of the six Lancang-Mekong countries show that with the rapid economic development, social problems such as poverty, environmental pollution and resource shortage become more and more prominent, which hinder the development of all countries around the world. More and more phenomena show that market or government alone has limited power in these issues, and many social problems are difficult to be effectively solved. Especially in economically underdeveloped developing countries, social problems will be more severe if the social welfare system is not perfect.

At present, the lancang-Mekong ethnic regions are mainly faced with serious poverty, environmental degradation and energy shortage caused by insufficient economic strength, low level of agricultural modernization and backward industrial development system. The aggravation of social problems, the inadequacy of existing solutions, and the awakening of entrepreneurial consciousness provide the soil for the rise of social entrepreneurship.

### **3.3 A case of social entrepreneurship project - professional social work institutions for rural community construction**

The Green farming project began to practice rural social work in 2010 and established the project framework of "Urban-rural Cooperation" in 2017. Tracing its entrepreneurial experience, as early as 2001, Green farming has been engaged in the development of China's rural social work. It has been deeply engaged in rural social work for 20 years, making it the longest social work organization in China that carries out urban and rural community work and rural social work. Since 2016, Green farming has carried out rural community development work in Donglei village, Tongdao Dong Autonomous County, Hunan Province. Starting from Dong culture, Green farming has built a community mutual aid network to promote the Rural Revitalization of Dong villages. In 2020, Green farming explored ways such as establishing community development departments and community resource banks to build rural community development networks and support rural self-organizations to carry out rural development.

Green farming has "rooted in the community, cultivated intensively, taken cultural actions, cultivated weak forces and demonstrated justice" For the purpose, with the help

of the platform of urban-rural cooperation and fair trade, in the process of walking with the community people, assist farmers to achieve the objectives of community sustainable development such as livelihood development, social mutual assistance, cultural inheritance, gender equality and ecological conservation, and strive for Rural Revitalization.

For the past 20 years, it has considered "taking root in the community, intensive cultivation, cultural action, training the weak and demonstrating justice" as the aim. And with the help of the platform of urban-rural cooperation and fair trade, In the process of walking with the community, it has committed itself to achieving sustainable development goals such as livelihood development, social mutual assistance, cultural inheritance, gender equality and ecological conservation, and then contributing to rural revitalization.

### **3.4 Influencing factors of social entrepreneurship opportunity identification in Ethnic Minority Areas**

#### **(1) Environmental factors - supporting projects**

Among environmental factors, government policy, personnel structure, social value, market and technology will have an impact on the identification of social entrepreneurship opportunities in ethnic minority areas. In addition, the project funding support can effectively improve entrepreneurs' identification and confidence in new opportunities, which has been further strengthened under the promotion of Rural Revitalization policy. Take Green farming as an example. When I went to Pingzhai, an administrative village for ethnic minorities in province, IT was based on the project support of University that I discovered the opportunity of social entrepreneurship in ethnic areas -- rural community construction service.

#### **(2) Social network factors - relationship strength**

Social network factor is the medium influencing factor of social entrepreneurship opportunity identification in ethnic minority areas. Social network is the channel of entrepreneurship opportunity transmission. Its main way is to build a bridge between entrepreneurs and entrepreneurship opportunities, and its strength directly affects the efficiency of entrepreneurship opportunity identification. There is a strong relationship between people in social networks in ethnic minority areas (like ethnic relationship, kinship and classmate relationship). Because of ethnic relations, it can bring more firm emotional support to entrepreneurs, and emotional support is closely related to information, which will play a special role in the identification of social entrepreneurship opportunities in ethnic areas. show that internet use promotes the entrepreneurial tendency of Chinese entrepreneurs and affects their income levels. Moreover, such influences are moderated by the location of individuals; the impact is higher for the entrepreneurial tendency and income levels of rural residents than that of urban ones. In addition, this paper also finds that internet use stimulates entrepreneurship by promoting social networks. [5]The results demonstrate that finding social entrepreneurial opportunities is an important part of how resource collages can help social enterprises grow, and the entrepreneur's social network allows for the mediating effect of resource collage. The more sources of "strong relationships" in entrepreneurs' social networks,

the stronger the impact of social entrepreneurial opportunity identification on the growth performance of commercial startups.[6]

Taking Green farming as an example, its initial members are composed of villagers' associations and teachers' recommendations, so as to accumulate a group of teams who have feelings for the countryside in ethnic areas, are professional in rural social work and are willing to engage in action practice to carry out social entrepreneurship.

### (3) Local characteristics -- cultural carrier

An entrepreneur in ethnic minority areas said in his speech: I saw that the tourism industry in my hometown is increasingly prosperous under the elaborate construction of the government; I saw that the government attaches great importance to the inheritance and development of folk handicrafts of Huayao Dai nationality; I saw that my hometown has gradually become a blessed place for investment and development. I resolutely returned home with my husband to start a business and established Xiping Huayao National Product Development Co., Ltd.

Huayao Dai is the carrier of the most primitive Dai culture. Because it is located in the remote Honghe River Valley, the closed environment makes "Huayao Dai" completely preserve the original Dai culture of Dai ancestors, such as natural worship, sacrifice, witchcraft, tooth dyeing, tattoos, clothing and so on. Up to now, the hard-working people here still inherit the ancient manual pottery making technology used by human beings more than 5000 years ago. Its pottery has a unique style and profound national cultural heritage. In 2014, Bai shaomei of group 8 of mambeng Dazhai was listed in the list "Representative inheritor of the fifth batch of intangible cultural heritage Huayao Dai clay pottery production in Province", "Huayao red pottery" is a red pottery developed by using natural original ecological clay and absorbing the pottery making technology and firing technology of ancient and modern Han culture.

Joana Carolina Chaves-Vargas analyses the effects of economic, social, and technological factors on SE over time.[7]It applies partial least squares structural equation modelling (PLS-SEM) to test three hypotheses. The results show that, while all three factor categories positively impact SE over time, the impact of technological factors is less significant.

## 4 Conclusion

The existing research on the influencing factors of entrepreneurial opportunity identification is mainly carried out from the two aspects of personal entrepreneurial endowment and social capital. In terms of the research object, most of them take college students, returnees, scientific and technological workers in scientific research institutes, retired soldiers, migrant workers and women as independent research samples, and less research on social entrepreneurs in ethnic areas. Therefore, this paper, based on the analysis of the influencing factors of social entrepreneurship opportunity identification in ethnic minority areas, can not only strengthen the understanding of social entrepreneurship in ethnic minority areas, but also identify the potential opportunities of social entrepreneurship in those areas, help social entrepreneurs in those areas recognize the resources and problems in the process of entrepreneurship and make deci-

sions, but also provide reference for relevant policy departments in formulating and issuing policies in ethnic minority areas. When the social entrepreneurship support policy is "tailored", it provides localized support in a practical and realistic way, and finally has a certain practical application value in promoting social entrepreneurship in ethnic minority areas.

What needs to be discussed is that when studying the social entrepreneurship opportunities in ethnic minority areas and identifying the influencing factors in the new era, we should strengthen the analysis of the supporting project factors of Government Rural Revitalization in the level of environmental policy and the research on highlighting the local characteristic factors in ethnic minority areas. In addition, since the identification of social entrepreneurship opportunities in ethnic minority areas is a more complex dynamic system, it is necessary to conduct an in-depth study on the mechanism of influencing factors combined with multi-disciplinary thinking methods.

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