

Deriving Major Policy Issues for the Invigoration of Social Enterprise in Korea, Using the Network Text Analysis Method

Young-Chool Choi (corresponding author)

Professor, Department of Public Administration, College of Social Sciences, Chungbuk National University, Korea

Tel. +82432612203, Email: ycchoi@cbu.ac.kr

& Ji-Hyun Jang (first author)

Assistant Professor, College of Liberal Arts, Sangmyung University, Korea,

Tel. +82432682230, Email: jhjang07@gmail.com

This work was supported by the National Research Foundation of Korea Grant funded by the Korean Government (NRF-2012S1A5B8A03045402).

Abstract

This paper aims to derive major policy issues regarding social enterprises operating at local level, using network text analysis of articles, columns, and editorials published in local newspapers in Korea. By their nature, local newspapers take note of local policy issues and propose troubleshooting, implying that it is necessary to analyze such newspapers in order to identify what kind of issues have existed in relation to social enterprises. Against this background, this paper employs network text analysis, which is a combined method of network analysis and text analysis, and attempts to draw major policy issues involved in social enterprises operating in three regions of Korea, Jeonbuk, Jeonnam, and Kwangju, on the assumption that these issues might be applicable to other countries. The results of the analysis may be summarized as follows. First, it is important to promote social enterprises, and especially to strengthen activities in advertisement and sales. Second, support programs for social enterprises aimed at Korea's vulnerable classes should be strengthened, and consultation may be important as a means of enhancing the competitiveness of social enterprises. Third, in the Jeonnam area universities are important for social enterprises, and thus a culture friendly toward promoting social enterprises is recommended. Also, there is a need for the development for a self-sustainable cooperative model. Fourth, the role of pro-bono support is important in the founding of a social enterprise; and education and academies, networks, and the opening of new markets for selling products from social enterprises are especially important issues in Jeonbuk.

Keywords: social enterprise, newspaper analysis, network text analysis, Korean social enterprise

1. Introduction

Ever since the enforcement of the Social Enterprise Promotion Act in July 2007, which was enacted to aid the proliferation of social enterprises and provide them systematic support, a vast number of social enterprises and preliminary social enterprises have been established and managed. Social enterprises can be seen as institutions initiated not only to expand social services appropriate for communal needs and provide stable employment for the socially disadvantaged classes, but also to enlarge the scope of employment and welfare by utilizing local human and material resources and thus to contribute to economic stimulation. However, in the case of Korea, social enterprises can be seen more as institutions that were formed as a complementary measure following continuous controversy about the ineffectiveness of government funding, in that, although there was an increase in employment for a short period after the financial crisis, this did not lead to the creation of stable jobs. In the 2000s, discussions on the implementation of European social enterprise institutions as a solution to the structuralization of jobless growth and an increase in social service demands became regularized, and debate about the implementation of social enterprises utilizing the voluntary sector, such as non-profit corporations and organizations, as a provider of good-quality stable jobs and social services were specified. The Social Enterprise Promotion Act was enacted as a result, and up until today 1186 social enterprises have been established throughout Korea. Seoul has the largest number, with 224 enterprises (18.8%), Jeonbuk has 78 (6.6%), Jeonnam has 57 (4.8%), and Gwangju has 54 (4.6%) enterprises currently under management.

There are predictions of a larger role for social enterprises as an alternative to overcoming changes in the employment structure owing to low growth and employment, providing services required in an aging society, and satisfying an increase in demands for jobs. Social enterprises will also be needed to perform the role of supporting ‘good consumption and warmhearted workplaces’ in order to resolve problems such as gaps in the labor market and employment instability. As the current situation is moving toward a period of low growth, social enterprises are receiving constant attention as an alternative to realizing a sustainable economy by creating jobs and providing social services based on locality. Despite the current attention and needs, however, the self-autonomy of social enterprises is as yet comparatively weak, and they still have low prospects for survival after government funding comes to an end, owing to factors such as the scant experience of social entrepreneurs, a weak institutional support basis, and a lack of widespread popular recognition. These things considered, it is necessary to prepare supportive and fostering measures for improving the survival rate of social enterprises in the market and ultimately enhance internal stability.

However, most of the research relating to social enterprises, which has focused on social enterprise participants and on civil workers that deal with the support given to social enterprises by local government, and has involved ordinary researchers, has been conducted using surveys to ascertain how social enterprises are perceived and what problems they contain. Such a method, that focuses on surveys and interviews, is capable of providing abundant information aimed at deducing problems and their solutions. However, becoming over-dependent on surveys and interviews raises the possibility of a specific related group's opinion having excessive influence, and also leads to the possibility of generalizing issues that occur for only some social enterprises. When intertwined with complex problems due to limitations in the composition of survey questions or technical problems regarding how interviews are conducted, there is a possibility that these problems may remain hidden. Also, even though different problems can appear in different areas as a result of regional characteristics, these characteristics can be masked as well. In other words, there is the possibility that phenomena from other regions will be excessively stressed at the expense of those that appear in the investigated region. Recognizing such problems, this research has the goal of deducing the problems that social enterprises in the Jeonbuk, Gwangju and Jeonnam areas face, by applying the network text analysis method. Without a correct understanding of the problems, it becomes difficult to propose guidance for solutions. Therefore, this research aims to establish the major issues relating to social enterprises in the Jeonbuk, Gwangju, and Jeonnam areas in Korea that have been raised by the local press, thereby providing policy information that will be needed by local authorities and organizations supporting social enterprise if they are to establish and improve an institutional support system.

2. Theoretical Discussion and Research Questions

2.1 Significance of social enterprises

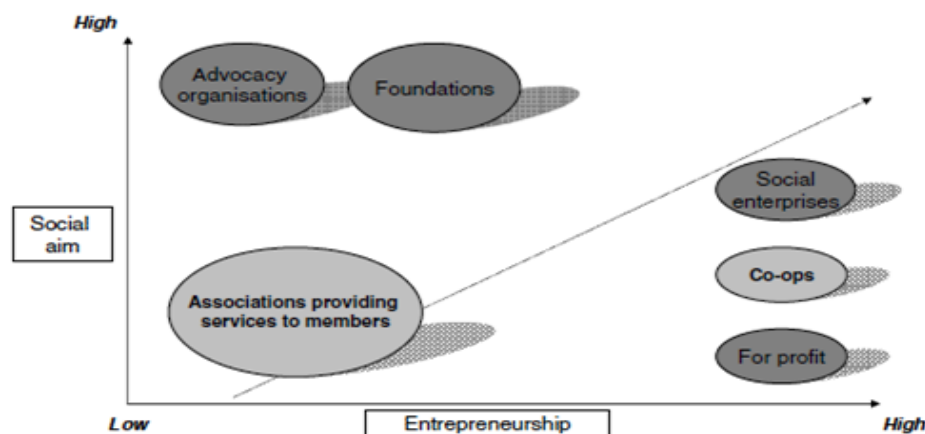
A social enterprise exists in the middle of commercial enterprises and non-profit enterprises. They can be seen as an enterprises/organizations that primarily seek social goals while carrying out business activities such as selling goods and services. The Social Enterprise Promotion Act defines a social enterprise as an enterprise that

seeks to fulfill social goals such as increasing the quality of life of local residents by providing social services and jobs to sociably vulnerable classes while performing business activities such as the production and selling of goods and services, and has received certification by the Minister of Employment and Labor.

Unlike commercial enterprises that seek profit for stakeholders and owners, social enterprises

focus more on providing social services and jobs to the socially vulnerable class. Meanwhile, there is the closely related term 'social economy'. A social economy can be seen as an economy located between the private sector (business) and the public sector (government). Various types of organization belong to this group, and cooperatives, non-profit organizations, and charity organizations may also be included. Naturally, Korea's social enterprises and cooperative organizations are included in its social economy.

A more specific presentation of the types of social economy organizations shown in Figure 1 is provided by Antonella Noya and Emma Clarence (2007: 36). This uses different words to express the divided terms, but provides classifications in the same context. The authors divide the organization types using two standards, social purpose and business. As Figure 1 shows, organizations that have a high degree of social purpose and are seen as businesses include social enterprises and cooperative associations, and the figure shows that social enterprises have a stronger focus on social purpose than cooperative associations.



Source: Noya & Clarence (2007: 36).

Figure 1 Types of organization for the social area

2.2 Legal foundations and present conditions of social enterprises

Korea's social enterprises originated in public labor businesses that were inaugurated to solve problems that arose after the 1997 IMF financial crisis, such as the unemployment rate increasing drastically and economic bipolarization intensifying. However, such public labor businesses created many problems regarding job sustainability and security. Along with such real-world problems there arose a widespread social perception that problems of aging and low birthrate would be aggravated, which led to predictions that demands for social service would gradually increase. In line with such situational change stemming from consumers, expectations about the

social responsibility and social contribution of enterprises are increasing, and recognition of social restoration and distributive management is also becoming widespread. In such circumstances, efforts have been made to enact measures for supplying jobs to socially vulnerable classes along with social services following increased demand, culminating in the Social Enterprise Promotion Act that took effect in July 2007.

According to the Social Enterprise Promotion Act, a ‘social enterprise’ is an enterprise that fulfills social goals by providing social services or employment to socially vulnerable classes or by contributing to the local society while also carrying out commercial activities such as the production and selling of goods and services; it requires certification from the Minister of Employment and Labor (Clause 1, Article 2 of the Social Enterprise Promotion Act). At the time when the Social Enterprise Promotion Act was enacted, social enterprises were categorized as: the employment provider type, the social service provider type, the mixed type, and miscellaneous; but with the legal reforms of 2010 the local society contribution type was added, resulting in a new division into employment provider type, social service provider type, local society contribution type, and mixed type. Also, the Act encompasses services on education, healthcare, social welfare, the environment, culture, and any other field designated by presidential ordinance (daycare; arts; tourism; forest conservation and management; assistance with nursing and housework; the preservation and use of cultural assets; management of business facilities such as cleaning and employment services according to Clause 2, Article 2 of the Employment Security Act; and other services recognized by the Minister of Employment and Labor following consideration in deliberative assemblies) (Article 2 of the third amendment of the Social Enterprise Promotion Act).

Table 1 Current status of social enterprises by region (September, 2014)

	S	B	D	I	G	D	U	G	G	C	C	G	G	J	J	
Over	e	u	a	n	w	a	l	y	a	h	h	y	y	e	e	J
all	o	s	e	h	n	j	s	o	n	n	n	o	o	o	o	e
	u	a	g	e	g	e	a	n	w	g	g	g	g	n	n	j
	l	n	u	o	j	o	n	g	o	b	n	b	n	u	a	u
				n	u	n		i	n	u	a	u	a	k	m	
										k	m	k	m			
1186	224	77	52	66	54	32	42	182	60	62	54	66	52	78	57	28

Source: Korea Social Enterprise Promotion Agency (<http://socialenterprise.or.kr>)

Note. The Sejong Special Autonomous City has two enterprises, which are included in Chungnam.

As Table 1 shows, according to September 2014 standards there are currently 1186 functioning social enterprises in Korea, employing around 22900 people in total. Social enterprises in Korea still have great room for development, in terms of both size and how they are managed; those operating in European countries have a much longer history and are more active. For example, the population of the UK is around 60 million, only 10 million more than that of Korea, but enterprises that belong to the social economy sector (including social enterprises) number around 50000 and currently have approximately 800000 employees. Recently, in Korea it has become easier to establish cooperative associations, which, although they have different characteristics from those of social enterprises, are included in the broad category of social economy, and interest is growing in the question as to whether Korea's social economy will perform an economic leadership role and create new jobs as well as contributing to local society. In particular, around 650 cooperative associations were established in the three months following reform of the Cooperatives Act in December 2012, and as of December 2014 there were 5601 in total (referred to the Korea Social Enterprise Promotion Agency). Social enterprises and cooperative associations all belong to a social economy, which makes them different from corporations and general enterprises according to their goals and how they are run. Cooperative associations and social enterprises, the two pillars that support a social economy, place emphasis on different aspects of the policy given how they try to protect the socially vulnerable. At a time, especially, when there are many second-class citizens and social welfare for them is managed in relation to employment, social enterprises can be seen as particularly important, since they place a larger emphasis on protecting the weak.

If we look at the types of social enterprise currently under management, we see that 48.4 percent are enterprises operating under commercial law, 22.2 percent are corporations operating under civil law, 14.6 percent are non-profit NGOs, and 10.6 percent are social welfare corporations. In addition, 1.7 percent are living cooperative associations that have recently aroused interest, while agricultural association corporations mark 2.3 percent. A classification based on region (Table 1) shows that Seoul has the largest number of associations, with 18.8 percent, while capital areas such as Incheon and Gyeonggi are responsible for 20.9 percent, Busan 6.4 percent, Kwangju 4.6 percent, and Daegu 4.4 percent. Categorized by fields, 17.1 percent manage environmental issues, 16 percent culture, 12.7 percent social welfare, 7.2 percent housework and nursing, and 6.4 percent daycare. Meanwhile, the Ministry of Employment and Labor plans to increase the numbers to 3000 by the year 2017. Government support for social enterprises is being given in multilateral efforts to increase their sustainability and competitiveness (Ministry of Employment and Labor, 2010: 41–3; Choi, 2012: 151–2).

In terms of fiscal support, when a social enterprise participates in a social job creation business and provides new jobs for the vulnerable class, the government contributes a portion of the workers' wages and the social insurance cost for business owners, and also the wages of experts. The beneficiaries are selected by competition. Also, if the social enterprise does not receive government funding, part of the business owner's social insurance is paid for a maximum of four years, with an additional funding on equipment costs. Second, the government provides customized and continuous consultation to social enterprises by actively utilizing regional support organizations and pro-bono services as a means of supporting the invigoration of social enterprise. Third, in terms of taxation support, the money that private enterprises spend on social enterprises can be seen as a donation, which enables up to 5 percent of the tax to be deducted, and social enterprises can receive a 50 percent reduction in corporate tax and income tax for four years after certification (<http://socialenterprise.or.kr>). Fourth, academies established to foster social entrepreneurs are managed and supported, and network establishment is supported. Finally, business support in areas such as advertising is being implemented to improve the awareness of social enterprises.¹

2.3 Examination of preceding research and selection of the research question

2.3.1 Examination of preceding research

Research examining social enterprises has been frequently undertaken ever since the enactment of the Social Enterprise Promotion Act in 2007. Choi (2012: 153–4) classifies them according to a number of standards. The first category of studies can be observed in the work of Shin Myung-Ho (2008), who presented a definition of social enterprises and its requirements by relating it to the social economy. Shin Myung-Ho explains the backgrounds that enabled the emergence of social enterprise, and its definitions, by associating them with the term 'social economy'. Research investigating such trends has frequently been conducted since 2007 when related laws for social enterprises were established (Noh Dae-Myung, 2007, 2008; Eom Hyung-Shik, 2008; Hwang Mi-Yeong, 2007), and on the basis of the concept of social enterprises these studies emphasize the need for its implementation.

The second category of studies includes those favoring comparative research on social enterprises in other countries. Researchers in this group commonly compare Korean social enterprises with those in countries that have an advanced system, especially European countries. For instance, Cho

¹ Since 2014, when a central government reshuffle was undertaken, the newly-named Ministry of Government Administration and Home Affairs has been in charge of the Village Enterprise Project, the Ministry of Agriculture, Food and Rural Affairs has been in charge of Rural Community Enterprises, and the Ministry of Planning and Finance has been in charge of cooperatives. The three types of enterprise are broadly similar, but differ from each other in some respects, including their purpose and their targets.

Young-Bok (2011) attempted to obtain information required to create a system sufficient for social enterprise promotion by comparing fostering examples of social enterprise in the USA, Europe, and Korea. In his research, he argued that a multidimensional ecosystem model is needed that includes: an infrastructure, entrepreneurs creating a social economy necessary for social enterprises, social entrepreneurs, a social capital market, a management structure, and competitiveness. Research conducted in the same context (Yoo Byung-Sun, 2009; Cho Yeong-Bok, 2009; Kim Jong-Kwon, 2008) states that, over the last thirty years, social enterprises in other countries have experienced rapid development and focuses on comparing the actual management processes of foreign countries and Korea.

The third group of researchers are those whose research is in fields of discovery and specific examples of social enterprises. Lee Eun-Ae (2010) examined the statuses of start-up assistance toward social enterprises and efforts to improve them, presenting many cases, such as that of Boeing. Also, there is research that presents the actual management process and various discovery cases (Social Sciences Institute, 2011; King Jung-Hee, 2011; Kim Shin-Yang, 2006; Choi, 2010a,b). The characteristics of these researches include examining various cases where social organizations were applied, and presenting fields in which social enterprises can improve.

The fourth category of research concerns the management and success factors of social enterprises. This group has recently been conducting various kinds of research. Han Seung-II's (2012) research aims to find the success factors of a social enterprise by focusing on the capacity of a CEO and both the internal and the external environmental factors of an enterprise. Ahn Yeong-Kyu (2011) has classified the success factors of a social enterprise according to economic level, social level and mutual level, and has analyzed the effects that specific factors operating at each level have on the success of social enterprises. Park Myung-Sun (2012) has analyzed the priorities of different social enterprise success factors using an analytic hierarchy process to conduct a criticality analysis.

Meanwhile, Lee Kwang-Woo (2009) presented the current status of social enterprises in Korea and performance-measuring models for these enterprises, addressing the success factors of previous social enterprises. His research presents various arguments made by native and foreign scholars on the success factors of social enterprises, and aims to inductively draw these success factors by basically dividing them into 'entrepreneur', 'organization', 'strategy', and 'environment'. Success factors of an entrepreneur include management capacity, entrepreneurship, and networking, and organizational factors include partnership and the capacity of employees. Business environment consists of social empathy and cooperation, and strategic factors include market competitiveness

and business promotion. This kind of research (Yang Yeong-Kyu, 2011, Lee Kwang-Woo, 2008; Oh Ji-Sun, 2008; Lim Hyuk-Baek et al., 2007; Chae Jong-Heon, Lee Jong-Han, 2007; Lee Jung-Yeong, Oh Ji-Sun, 2010) defines the success factors as important factors that mainly affect social enterprises from start-up to management, and aims to perform various analyses on these factors.

One characteristic that previous researches have in common is that although many focus on the future success factors of social enterprises, most are theoretical researches based on theoretical analysis tools. Even when the awareness of social enterprise employees is investigated through surveys or by selecting policy priorities using the AHP method, theoretical grounds discussed in Western countries are applied to the situation in Korea, an approach lacking in realism. Additionally, in regional fields, issues that reflect the speciality of that region can be addressed. Even when composing an analytical framework based on foreign theories or on a national perspective, the importance of a local speciality can be neglected. However, for policymakers in regions that deal with social enterprises, it is important to draw issues in a field-focused perspective from the kind of problems that occur in the regional fields where social enterprises are run and from the kinds of issues that are continuously raised. It is thought that such issues, having a field focus, may be covered by the local press. In particular, local newspapers can continuously address such problems in editorials, feature articles, columns, and even general articles. Given this, this research focuses on the major issues relating to the management of local social enterprises that are dealt with by the local press in Jeonbuk, Jeonnam, and Gwangju.

2.3.2 Research question

This research focuses on filling the gaps in previous research analysis and drawing major issues relating to social enterprises in the Jeonbuk, Jeonnam, and Gwangju areas. Three provincial areas in Korea are TL3(Tier Level 3) regions representing social enterprises of Korea in terms of employment size and business characteristics. The research question chosen is as follows:

What are the major policy issues relating to the management of social enterprises in Korea?

3. Research Methodology

3.1 The research method

This research adopts a network text method to draw issues relating to social enterprises presented in the form of editorials, columns, and feature articles of local newspapers. The network text method is a combination of the network analysis used in social network theory and the text

analysis used in qualitative content analysis. Some scholars call it ‘text network analysis’. However, this research focuses more on its characteristic as a combination of the network analysis and text analysis, rather than analyzing the network of a text, and therefore names it ‘network text analysis’. It is basically done by extracting keywords (words) from a literature set of a specific topic, calculating the co-concurrence frequency of each keyword, and forming a network by calculating the similarities (relevance) between keywords.

These theories can be applied in the analysis of policy issues. The term ‘issues’ here signifies specific policy issues that do not affect individuals but operate on a societal scale, and those that influence comparatively many people and help them take a policy interest in governmental areas. Network text analysis can provide help when drawing such policy issues from local newspapers. The basic concept behind the network text analysis is linking content analysis to society network analysis. While the content analysis considers individual characteristics such as the frequency of words that appear in a text, the society network analysis considers the relational characteristics of words that appear together in the text. Tools used for analysis include network text analysis tools, which can perform content analysis and society network analysis at a unitary scale² or connect the two analysis tools to perform a network text analysis. This research adopted the method of connecting the analysis tools for content analysis and society network analysis to perform a network text analysis. That is, the contents of analysis were divided by means of a content analysis stage and a society network analysis stage, and analysis tools were also divided into stages. Basically, at the content analysis stage the frequency of the words that appear in the analysis data was considered, and in the society network analysis stage a network map and the connection center of formulas based on a sociogram concept were considered. The key to linking content analysis with society network analysis is to select index words and standards to show the relationship between these index words. Index words are keywords selected from the total words derived from the context analysis, and the relationship of these index words is proposed as the result of the society network analysis.

Index words may be words that appear more than a specific number of times, or those that a researcher believes are appropriate to the research subject. This research performs an analysis on academic publications whose authors have already selected keywords, and thus will apply the latter method. Analysis done on texts other than academic publications – that is, official government documents or newspaper editorials – allows the minimum-frequency number of index words that appear to be chosen, and these standards are selected by determining the level at which

² There are some software programs for network text analysis: DNA (Dynamic Network Analysis; Carley et al., 2006), CRA (Centering Resonance Analysis; Corman et al, 2002).

the characteristics of the analysis can appear by trial examinations. The index words in this research are collected by gathering the 'keywords' mentioned in the abstract of the journals.

The standards used to set the relationships between the selected index words can be thought of as factors that affect the drawing of appropriate analysis results. For instance, although a word 'A' does not appear with another word 'B' in the same sentence, analysis results can change, since it is up to the researcher to select whether the relationship is valid if the two words appear in the same sentence or in the same paragraph. In this research, each individual sentence of the abstract will be used as an analysis unit.

The analysis tool used for content analysis is the KrKwic software, which is held to be appropriate for Korean text analysis (Park Han-Woo et al., 2012), and the analysis tool for the society network analysis is the NetMiner software.³

3.2 Analysis data

The analysis data consists of articles regarding social enterprises published by the local press in the Jeonbuk, Jeonnam and Gwangju areas between January 1, 2012 and November 30, 2014. Owing to the large number of local newspapers, it was difficult to include all of them as targets, and so the targets were restricted to local newspapers that had been selected for local press business support by the Ministry of Culture, Sports and Tourism between 2012 and 2014. The analysis targets were articles comprising columns, editorials and feature pieces that included 'social enterprises' as a keyword. Table 2 categorizes the article contents of the different newspapers.

Table 2 Categorization of the contents of local newspapers

Name of Newspaper	Contributions	Special News	Special Columns	Editorials	Public Comments	Opinions	General Article	Columns	Features	Total
KJ Daily				1			9		6	16
KC Daily							4		2	6
KYM Newspaper							22		1	23
KY Daily		1					8		1	10
KJ Daily	1	1		1	1		23	1		28

³ Nowadays, the software for social network analysis are Net Miner, UCINET, PAJEK, MUTINET. Among these things, it is generally accepted that UCINET is the easiest tool, but comprehensively speaking, Net Miner program is the best, as it enables us to visualize the analysis result and to simplify the complex formula (Choi, 2009: 281).

KJ News	2					8	3		13	
DY Times	1					1			2	
DY Daily	1					2			3	
MD Daily	1			3		13		1	18	
Citizen Voice		1				1			2	
YS Daily				1		4			5	
YK Daily		1		2					3	
JSG Daily	1								1	
JN Daily				1		2			3	
JB Daily				3		14			17	
JB News	1	4	1		2	71			79	
HN News		4				4			8	
HN Daily						9			9	
Total	8	12	1	12	1	2	195	4	11	246

Note. Newspaper name s are abbreviated.

A total of 246 articles were published in local newspapers in Jeonbuk, Jeonnam and Gwangju between 2012 and November 30, 2014. General articles formed the largest number of these (195), and next were special articles (12) and editorials (12). Jeonbuk, Jeonnam and Kwangju are autonomous bodies that have the status of second-tier local authorities and belong to the same life zone. According to data from 2013, the populations of Jeonbuk, Jeonnam and Kwangju are 1.8 million, 1.9 million and 1.51 million respectively.

3.3 Analysis procedures

The analysis procedures can be divided into five steps. The first step is to produce data to be inputted into the KrKwic software in consideration of the analysis units. Analysis units can be differently set according to research purposes. For example, if a network text analysis is conducted on an official government document, one document title can be seen as a single analysis unit (Choi, Park Su-Jeong, 2010: 170–5). Since, in this research, the analysis is performed on the context of newspaper articles, several sentences appearing in one article were set as a single analysis unit. This is because, since the texts of newspaper articles are relatively lengthy and can be divided into one or more paragraphs, it is difficult to consider all the words that appear in an article as relevant. This research basically set words appearing in the same sentence of an article as relevant words. As a result, the 246 articles were divided into 2639 sentences.

Secondly, index words were set. Index words may be set as standards by taking a number of

simulations and determining the appropriate frequency to be used to deduce implications. That is, a normal network text analysis sets a certain standard and selects words that appear more than that standard as index words. However, since this research includes a network text analysis of paper abstracts, given the characteristics of the research subject it is possible to manually select index words. This research uses the keywords selected by the writers of the 246 articles as index words. An examination was made of the keywords of the 246 articles published in local newspapers between 2012 and 2014. Third, a matrix between the index words was formed, by inserting the index word file into the KrKwic software. Finally, the matrix data were imported into the NetMiner software, a network map was drawn, and a mathematical analysis was conducted. Given the complexity of the whole, the network map was made by deleting links that were lower than a certain standard.

In summary, first, the input data were constructed by dividing individual abstracts into lines on a piece of software installed in Windows such as Notepad. This data was inserted into the KrKwic software to draw the frequency of words that appeared. By reinserting the selected index words into KrKwic, a matrix could be obtained. This matrix data served as basic input data for the society network analysis, and the society network analysis was performed by importing this matrix into the NetMiner software.

4. Analysis Results

4.1 Keywords on major social-enterprise-related issues: focusing on text frequency analysis

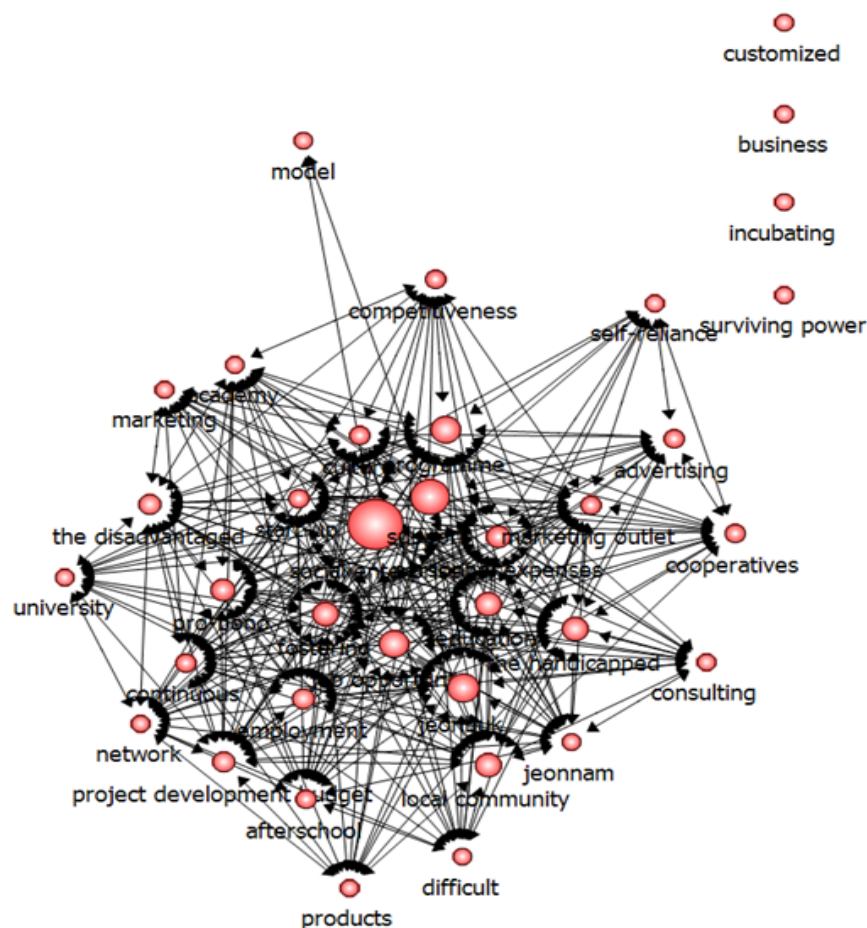
An analysis of the keywords of the 246 articles relating to social enterprises published in 18 local newspapers within the region between 2012 and 2014 shows that there were around 890 keywords in total. The keywords that appeared most frequently were as follows.

The most frequently used keyword was 'social enterprise'. Next were 'job opportunity', 'support', 'education', 'the handicapped', and 'the disadvantaged'. Listing the keywords by frequency was limited to those used more than 10 times, since there were too many words, reducing the number of keywords to be selected to 36. During this process, words that have similar meanings were considered as one single word. By observing the overall trend using the results of the frequency analysis, it could be seen that jobs, education, and the socially vulnerable class were the core concepts. This can be understood in the same context as the characteristics of social enterprise policies, in that these do not provide one-sided funding to those in need of help but provide jobs and an opportunity for self-sustenance.

4.2 Network text analysis

Out of the 890 keywords, if adverbs and postpositions are excluded so as to restrict the analysis to words that have significance, there remain 36 words that appear more than 10 times. These words were defined as the 'core keywords' and a network text analysis was conducted on them. The analysis results are as follows.

First, on the side of the overall network structure, the network between the core keywords follows a 'small world network' model. Following this model means that on one side, rather than the various social-enterprise-related issues being separate, there is an organic connectivity between them; and on the other side, out of the core keywords there are words that act as hubs linking others.



Note. This is a network map of the 36 core keywords that appear frequently. A larger node indicates a large connection centrality, and nodes that appear simultaneously are located close to each other.

Figure 2 A network map between the core keywords

As Figure 2 shows, keywords such as ‘customized’, ‘business’, ‘incubating’, and ‘survival power’ did not have significant relevance vis-à-vis other keywords. Here keywords become nodes, and the relationship between words is represented by links. This makes it possible to conduct a discourse analysis of the main policy issues relating to social enterprises, and to understand the various relationships between the concepts (keywords) that make up such discourse.

Secondly, between the 36 core keywords a network was formed, with ‘social enterprise’, ‘support’, ‘job opportunity’, ‘jeonbuk’, ‘the handicapped’, and ‘education’ acting as hubs. This can be seen via a connection centrality index that displays how often a certain word appears with another core keyword.

Table 3 Connection centrality of a core keyword

	In-Degree Centrality	Out-Degree Centrality
social enterprise	80.371429	114.3143
support	48.2	51.74286
job opportunity	26.714286	30
jeonbuk	28.485714	27.68571
the handicapped	18.257143	18.25714
education	17.171429	17.17143
program	27.628571	14.11429
personnel expenses	13.885714	13.88571
local community	17.857143	12.54286
pro-bono	13.457143	12.25714
fostering	17.6	10.94286
the disadvantaged	9.657143	9.657143
marketing outlet	7.942857	7.371429
cooperatives	7	7
start-up	6.371429	6.285714
employment	9.057143	6.142857
project development budget	9	6.057143
culture	7.514286	5.857143
continuous	5.542857	5.457143
afterschool	5.542857	5.228571
advertising	5.257143	4.342857
competitiveness	4.428571	3.914286
difficult	3.514286	3.057143
network	2.885714	2.542857
jeonnam	2.371429	2.285714
academy	2.285714	2.171429
consulting	2.257143	1.8
self-reliance	1.657143	1.485714
university	1.771429	1.342857

marketing	1.685714	1
products	1.542857	1
model	0.085714	0.085714
customized	0	0
business	0	0
incubating	0	0
survival power	0	0

Table 3 shows the degree centrality between concepts. The degree centrality can be defined as the number of links incident upon a node (i.e., the number of ties that a node has). The in-degree and out-degree values of the concepts are described in the table. In-degree centrality stands for cases where the interchange comes from outside and heads inwards, whereas out-degree centrality stands for cases where the interchange is from the inside and heads outwards. Having a high in-degree centrality means being selected as an object to which many other concepts want to be related, and can be seen as carrying high prestige. Meanwhile, having high out-degree centrality means that the concept actively tries to link itself to other concepts and is related to the expandability of the network. In this research, out-degree centrality is seen to have more importance as regards selecting policy issues. The fact that the six words mentioned above have high out-degree centralities means that the main issues regarding social enterprises in Jeonbuk are concerned with explaining or highlighting such problems.

Third, the network between the 36 core keywords can be broadly divided into seven issue categories, and can be divided again into five categories. Such categorizations are possible by a dendrogram analysis, and the results are shown below (Table 4). A dendrogram analysis initially involves calculating the correlation values of each row and column from a raw matrix containing the original data and grouping them by concepts with large values. Concepts that are put into the same group by this process are seen to have a structurally equivalent relationship. That is, since they have significance as an 'equivalent group', they can be used in the process of integrating the issues of core concepts.

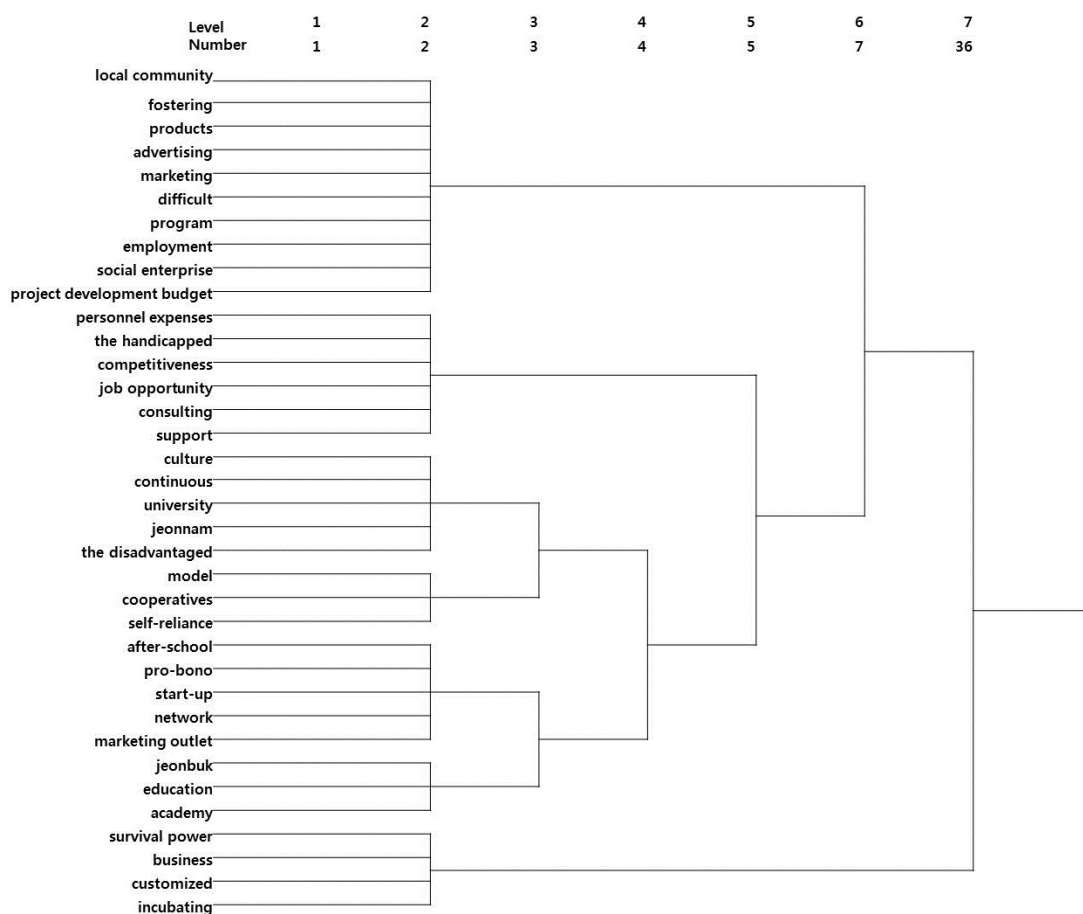


Figure 3 Results of a dendrogram analysis of keywords relating to social enterprises

The results (Figure 3) of using the dendrogram analysis to organize the core issues that have high correlation on a comprehensive scale are shown in Table 4.

Table 4 Grouping between keywords

	Level 1	Level 2
local community	o role of local community o fostering for social enterprises o importance of advertising, marketing, budget	o role of local community o fostering for social enterprises o importance of advertising, marketing, budget
fostering		
products		
advertising		
marketing		
difficult		
programme		
employment		
social enterprise		

project development budget		
personnel expenses		
the handicapped		
competitiveness	o job opportunity for the handicapped	o job opportunity for the handicapped
job opportunity	o consulting for competitiveness	o consulting for competitiveness
consulting		
support		
culture		
continuous	o the importance of culture	
university	o the role of university in Jeonnam region	o the importance of culture
jeonnam		o the role of university in Jeonnam region
the disadvantaged		o developing self-reliance model of cooperatives
model	o developing self-reliance model of cooperatives	
cooperatives		
self-reliance		
after-school		
pro-bono	o after-school programme support	
start-up	o the role of pro-bono for start-up	o after-school programme support
network	o network and marketing outlet	o the role of pro-bono for start-up
marketing outlet		o the importance of education, academy, network and marketing outlet in Jeonbuk region
jeonbuk		
education	o the importance of education, academy in Jeonbuk region	
academy		
surviving power		
business	o customized support for business and incubating	o customized support for business and incubating
customized		
incubating		

By arranging the table, the major issues of social enterprises in the Jeonbuk, Jeonnam and Kwangju areas can be represented in terms of five cases. First, it is important to promote social enterprises, especially to strengthen activities in advertisement and sales. Second, social enterprise support for those in the vulnerable classes should be strengthened, and consultation may be important for enhancing the competitiveness of social enterprises. Third, in the Jeonnam area,

universities are important for social enterprises, and thus a culture that is friendly toward promoting social enterprises is recommended. Also, there is a need to develop a self-sustainable cooperative model. Fourth, the role of pro-bono support is important in the founding of a social enterprise, and education and academies, networking, and the opening of new markets for selling the products of social enterprises are especially important issues in Jeonbuk. At the same time, results show that Jeonbuk needs social enterprises in fields such as after-school programs. Finally, it is important to provide customized support for the business operations and incubation of social enterprises.

5. Policy Significances and Conclusions

This research was set to analyze major issues relating to social enterprises in the Jeonnam, Jeonbuk and Kwangju areas over the previous three years. The contents of articles from local newspapers within the regions were used for analysis. Much academic research has been conducted since the enactment of the Social Enterprise Promotion Act in 2007. However, little of this has focused on what the major issues concerning social enterprises in the actual regions are. In particular, although research has been carried out by methods such as surveys, it is hard to discover any case where local newspaper articles have been analyzed. Compared to simple surveys and interviews, performing a systematic analysis of local newspaper articles relating to social enterprises enables a more comprehensive view of the issues, and can address any methodological problems that occur in the former method of approach. The present research was conducted under precisely this assumption.

There are 36 core keywords that appear from the results of the analysis of articles on social enterprise appearing in local newspapers. A network text analysis of these core keywords shows that they can be arranged so as to show that they present seven issues, and then reorganized to reflect five issues by a secondary integration using dendrogram analysis. The five main issues relating to social enterprises are as follows:

1. The importance for social enterprises of consultation.
2. The importance of the role social enterprises play in the local society.
3. The role of universities and the establishment of a supportive culture for social enterprises, and the development of a self-sustaining cooperative model.
4. The importance of a pro-bono beginning in the foundation of a social enterprise, and reinforcement by various kinds of supportive institution, such as marketing.
5. The reinforcement of customized services for business and incubating.

That is, this research organizes the main policy issues relating to social enterprises into five categories, and suggests focusing on these categories in the future establishment of social enterprise policies.

It is difficult to conclude that the research results can be only applied to Korea, because it is seen that similar results will appear from other countries that manage social enterprises. Marketing support, consultancy support, development of a new model and the role of universities are issues that were also stated to be of great importance by the OECD (2007). Rather than drawing social issues via standard contemporary methods such as surveys and interviews, focusing more specifically on methods that combine quantitative and qualitative elements, as in this research, will be of greater assistance in drawing policy issues in a practical way.

References

- Ahn Yeong-Kyu (2011) Analysis of social enterprises in Korea. *Civil Society and NGO*, 6(2), 55–70.
- Alter, S. K. (2002) *Case Studies in Social Enterprise: International Experience*. London: Routledge.
- Borzage, C. & Defpirmu. J. (2001) Conclusions: social enterprises in Europe: adversity of initiatives and prospects. In C. Borzage & J. Defourny (eds), *The Emergence of Social Enterprise*. London: Routledge.
- Chae, Jong-Heon & Lee, Jong-Han (2007) *Roles of Social Enterprises*. Seoul: KIPA.
- Cho, Yeong-Bok (2009) *Understanding Social Enterprises in Korea*. Seoul: Social Enterprise Institute.
- Choi, Y. C. (2010) Analysis of networking system among social enterprises. *Korean Association for Comparative Government Studies Review*, 14(1), 63–76.
- Choi, Y. C. (2012) Success factors of social enterprise in Korea. *Korean Journal of Comparative Government Studies*, 16(1), 150–68.
- Choi, Y. C. & Park, Su-Jeong (2010) Analysis of research trends in public administration in Korea. *Korean Public Administration Review*, 45(1), 123–39.
- Dees, J. D. et al. (2001) *Enterprising Nonprofit: A Toolkit for Social Entrepreneurs*. New York: John Wiley.
- Elshobagy, A., Jutia, A., Barbour, L. and Kells, J. (2005) System dynamics approach to assess the sustainability of reclamation of distributed watershed. *Journal of Civil Engineering*, 32.

- Eom, Hyung-Shik (2008) *Social Economy and Social Enterprises in Korea*. Seoul: National Job Creation Foundation.
- Han Seung-II (2012) Success factors of social economy. *Cities and Poverty*, 89, 65–80.
- Hwang Mi-Yeong (2007) Analysis of self-supporting organisations. *Civil Society and NGO*, 5(2), 73–104.
- Kim, Jong-Kwon (2008) *Comparative Analysis of Social Enterprises*. 2008 Korea Association for Safety Management Conference Proceedings.
- Kim, Jung-Hee (2011) Dynamics of corporate responsibility. *Professional Managers*, 14(1), 25–50.
- Kim, Shin-Yang (2006) Job creation policies for poverty reduction. *Cities and Poverty*, 80, 52–74.
- Lee, Kwang-Woo (2009) Factors affecting sustainable social enterprises. Ph.D. thesis, Soongsil University, Seoul.
- Lim, Hyuk-Baek et al. (2007) *Social Economy and Social Enterprises*. Seoul: Songjung.
- Matthew, S. (2004). *Enduring Change: The Experience of Community Links Social Enterprise Zone: Lessons Learnt and Next Steps*. Bristol, UK: Policy Press.
- Ministry of Employment and Labour (2010) *Explaining Social Enterprise Act*. Seoul: MEL.
- Noh, Dae-Myung (2007) Current conditions and issues regarding social enterprises in Korea. *Civil Society and NGO*, 5(2), 35–71.
- Noh, Dae-Myung (2008) Social enterprises and social services in Korea. *Health and Welfare Forum*, 4, 62–85.
- Noya, A., Clarence, E. (2007) *The Social Economy: Building Inclusive Economies*. Paris: OECD.
- OECD (1999) *Social Enterprises*. OECD.
- OECD (2007) *The Social Economy: Building Inclusive Economies*. Paris: OECD.
- Oh, Ji-Sun (2008) Support policies for social enterprises in Korea. Masters degree, Seoul City University.
- Park Myung-Sun (2012) *Social Economy*. Seoul: Social Enterprise Institute.
- Park, Han-Woo, Kwon, Ki-Seok, Han, Sung-Hwan (2012) Korean Policy Sciences Association Conference Proceeding.
- Pidd, M. (1998) *Computer Simulation in Management*. New York: John Wiley.
- Roh, Hwa-Joon (2012) *Policy Sciences*. Seoul: Bakyounsa.
- Shin, Myung-Ho (2008) A preliminary study on the concept of social enterprise in Korea. *Cities*

and Poverty, 89, 5–43.

Social Sciences Institute (2011) *Cases of Social Enterprises in Korea*, 1(2).

Sterman, J. D. (2001) System dynamics modelling: tools for learning in a complex world.
California Management Review, 43(4), 25-48.

Yang, Yeong-Kyu (2011) Analysis of the differential characteristics of social enterprises in Korea.
International Management Review, 15(3), 62–82.

Yoo, Byung-Sun (2009) *Social Enterprises in Other Countries*. www.nanet.go.kr.
http://en.wikipedia.org/wiki/social_economy <http://socialenterprise.or.kr>