

Study on the Participation of Social Enterprises in Community Home-based Elderly Care Services

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Abstract. With the further aggravation of the aging problem in China, different types of senior care services are showing a trend of integration and development, and the model of community-based home care services is being widely adopted in China, and social enterprises can become one of the important main bodies involved in the provision of community-based home care services due to their advantages in specialization and personalization. However, the current development of social enterprises in China still has certain problems in obtaining legal status, enhancing credibility and improving operational efficiency. Therefore, it is necessary to solve the development dilemma of social enterprises in the intervention of community-based elderly care services by increasing government support, improving the level of business operation and strengthening publicity and promotion, so as to enhance the blood-forming ability of the enterprises themselves and further optimize the market of elderly care services in China.

Keywords: Community home care, social enterprise, optimization pathway.

1. Introduction

According to demographic statistics released by the National Bureau of Statistics, as of the end of 2023, the working-age population aged 16-59 years old was 864.81 million, or 61.3%; the population aged 60 years old and above was 296.97 million, or 21.1%, of which 216.76 million, or 15.4%, were aged 65 years old and above [1]. The population aged 65 and above is 216.76 million, accounting for 15.1% of the total. At present, China's old-age dependency ratio has reached 22.9%, and will continue to grow in the future, which means that the pressure on the support of the working population is increasing, and at the same time, with the rapid development of China's social and economic development, the people's evaluation of the standard of happiness in life is constantly rising, the traditional model of aging in place has been unable to meet the higher requirements of the elderly population for the material and spiritual dimensions. Based on this basic national situation, the initial situation of multiple modes of elderly care in China has begun to change, and different types of elderly care services are showing a trend of integration and development. The community-based elderly care model is being chosen by more elderly people because of its various advantages, and among the multiple main bodies providing the community-based elderly care services, the social enterprises, as a backbone force, are promoting the development of the community-based elderly care model to a more efficient level.

2. Conceptual analysis

2.1. Social enterprise

At present, there is no universally recognized definition of social enterprises. Internationally, the concept of "social enterprise" was elaborated in the report "Social Enterprise" issued by the Organization for Economic Cooperation and Development in 1999, which pointed out that "a social enterprise is any private activity that generates public benefits, has an entrepreneurial strategy, and is aimed at achieving specific economic or social goals, rather than primarily seeking to maximize profits. rather than profit maximization, and helps to solve the problems of social exclusion and unemployment." [2] Domestic scholars, on the other hand, believe that social enterprises in China

refer to those organizations that blend social objectives and business means, and whose business objectives are for the sake of the community, rather than maximizing personal interests [3].

Based on this, a social enterprise can be defined as an organization that takes the solution of social problems as its primary goal, focuses on the sustainable transformation of the social environment while pursuing economic benefits, operates in the manner of business management, and provides various goods and services directly to society and earns income as a result.

2.2. Community Home Care

Domestic scholars have a variety of definitions for community-based home care, for example, Lu Xiaoli believes that family care and community care are two complementary and mutually supplementary concepts, and that community-based home care is a mode of care that gives full play to the resource advantages of the community and the humanistic care advantages of the family. [4] Community-based aging is a model that fully utilizes the resource advantages of the community and the humanistic care advantages of the family. Based on this, community home care can be defined as a new type of elderly care model that takes a family as the core, uses the community as a platform, integrates various resources in the community, and provides necessary life care and socialized services for the elderly living at home through the support of specialized services.

3. Comparative Advantages of Social Enterprises in Providing Community Home Care Services

3.1. Expertise to provide personalized service

Social enterprises have the dual characteristics of non-profit organizations and enterprises. Although social enterprises have broken the principle of "not for profit" of non-profit organizations in the past, and provide goods and services to the market in order to obtain income returns, they do not pay dividends after obtaining profits, but are used to maintain the organization's own development and further satisfy the needs of the public interest. Simply relying on public donations and government support of "blood transfusion" to rely mainly on their own market-oriented operation of the "blood", a breakthrough in the ordinary non-profit organizations, the plight of voluntary failure, to achieve the sustainable development of public welfare. Social enterprise to expand social interests as the primary goal, in the process of operation focus on solving public problems, can simultaneously meet the needs of the organization's own internal development and personal self-realization needs, so it can attract different professional fields, really love the public welfare cause of talent to join the organization. In addition, with the development of modern economy and society and the wide application of science and technology, the costs and barriers to participation in social action have generally been reduced, and people have more willingness and opportunities to join the work of social enterprises than profit-oriented commercial organizations. [5] In the process of participating in community-based home care services, government agencies, due to the limitations of their own bureaucratic management model, are unable to fully take into account the individualized needs of different families, and in their participation in community-based home care activities, they are more inclined to provide uniform services, lacking in diversity, and are unable to satisfy the special needs of some of the elderly, whereas social enterprises, due to the fact that they are equipped with professional knowledge and workers who uphold the spirit of dedication, are able to make use of their professional capabilities to truly understand the different types of elderly populations. Social enterprises, with their professional knowledge and dedication, are able to make use of their professional abilities to truly understand the needs of different types of elderly people and provide them with personalized services, which can greatly improve their sense of well-being and satisfaction.

3.2. Work efficiently and provide high quality services

Old-age insurance benefits are the main source of income for the elderly and can be directly translated into purchasing power for community-based home care services [6]. The International Labor Organization (ILO) recommends a minimum pension replacement rate of 55 percent. The International Labor Organization suggests that the minimum standard of pension replacement rate is 55%, and according to the World Bank Organization's suggestion, if the elderly population wants to maintain the living standard before retirement, the pension replacement rate needs to reach 70%. According to the trend chart of China's urban workers' basic pension replacement rate in the last seven years (see Figure 1), the main income level of China's urban retired elderly population is decreasing, and there is a big gap with the international standard. gap, which means that the purchasing power of the elderly population for old-age services is far below international standards. At the same time, the elderly population over 65 years of age has generally experienced a period of social upheaval, and the value of thrift and frugality has become another major obstacle to their purchasing of community-based home care services. Social enterprises are organizations with both social and economic values, which do not aim to maximize profits when providing goods or services to the market, but also pay attention to the improvement of the social environment. Therefore, when providing community-based home care services, social enterprises do not blindly pursue high prices and high revenues, and charge service fees that are within the acceptable range of the elderly population, and the participation of social enterprises in the community-based home care services is more easily accepted. Accepted. In terms of the organization's operation mode, social enterprises have market-oriented characteristics compared with ordinary non-profit organizations, and not only can they achieve balance of payments and self-sustainability, but this business operation mode also makes it possible for them to continuously innovate their products and services and improve the utilization rate of production materials in order to improve market competitiveness and achieve sustainable development of the organization, which further improves the quality of elderly care services and promotes the development of the elderly care industry.

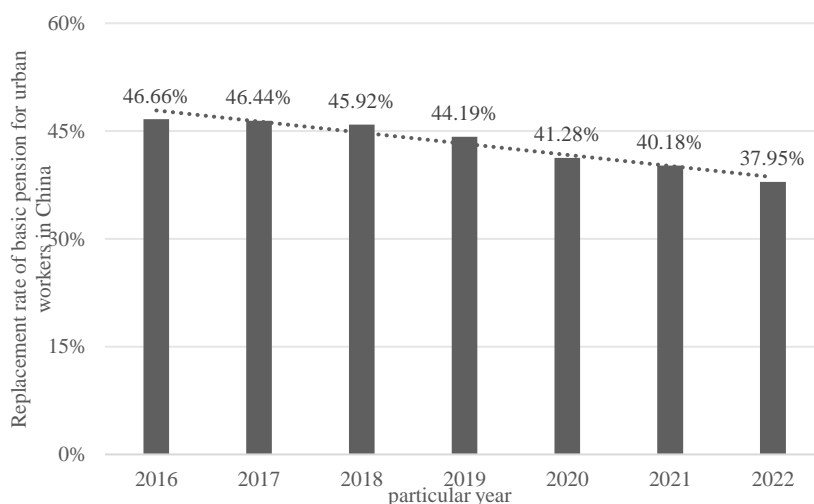


Figure 1. Trend of basic pension replacement rate for urban workers in China, 2016-2022

4. Dilemmas in the provision of community-based home care services by social enterprises

4.1. Ambiguous legal status and lack of legitimacy

The development of social enterprises in China started late, and there is a lack of laws and regulations with high legal effect formulated for social enterprises, therefore, the existing social enterprises in China often solve the legitimacy problem by registering as industrial and commercial enterprises, non-profit organizations, private non-enterprise units and other forms of organizations

within the existing legal framework, and then carry out the relevant certification through the existing certification bodies [7]. In addition, China's management system for social enterprise recognition is characterized by decentralization, with different recognition standards and certification platforms in different regions, and a unified certification process has yet to be formed nationwide, making it difficult for current social enterprises to obtain a standardized identity and centralized management. When participating in community-based home care services, they are also subject to legitimacy challenges, which sets a high threshold for social enterprises to enter the elderly care services market. At the same time, the "fuzzy" status of social enterprises also prevents them from enjoying the government's preferential policies for participating in the main body of home-based elderly care services, such as tax exemptions and reductions, financial subsidies, and incubation and cultivation, etc., which increases the operating costs of social enterprises in providing community-based home-based elderly care services, which, on the one hand, weakens their competitiveness in the market of elderly care services, and, on the other hand, discourages the organizations themselves from participating in community-based elderly care services. On the other hand, this also dampens the organization's own enthusiasm for participating in public affairs and prevents it from giving full play to its comparative advantages over other organizations.

4.2. Insufficient public awareness and lack of credibility

Social enterprises, as a new form of organization in China, are still in the embryonic stage of development, and public awareness is not high. However, if social enterprises want to participate in the governance of public affairs, such as playing an active role in community blood creation and empowerment, solving social problems, caring for special people, rebuilding the trust of community residents, fostering self-organization in the community, and providing education for the residents, they need to be widely recognized and supported by the government, the market, and the society. It needs to be widely recognized and supported by the government, market and society. [8] The government, the market and the society all need to recognize and support these roles. At the same time, China's traditional political concept of "big government, small society" and the thinking habits of the elderly population is difficult to change in a short period of time, they generally believe that public welfare and charity should be provided free of charge, and the government should assume the role of a service provider, and because of the lack of government supervision and industry autonomy, some social enterprises have not adhered to the principle of public welfare, and undermined the image of the industry, making the elderly population more concerned about social enterprises. The lack of government regulation and industry autonomy, some social enterprises have not adhered to the principles of public welfare and damaged the image of the industry, which makes the elderly population more likely to be skeptical and resistant to the paid services provided by social enterprises. It is also necessary for the public to truly understand the operation process and values of social enterprises and the comparative advantages of social enterprises and other types of organizations in the provision of elderly services, so as to eliminate the public's rejection of them and improve the competitiveness of social enterprises in the elderly service industry.

4.3. Weak autonomy and operational difficulties

Compared with the more mature social enterprise management model that has been formed abroad, the development of social enterprises in China is still in its infancy. On the one hand, the big difference in national conditions makes the governance experience of foreign social enterprises not applicable to our country, and on the other hand, there is a lack of successful practical exploration in social enterprises in our country, and at present, the self-governance ability of domestic social enterprises is still weak, and it is difficult for them to be self-sustaining when operating, and they still need the help of social forces. They still need the help of social forces. Due to the lack of uniform standards for the certification of social enterprises and the lack of corresponding support policies in China, most social enterprises are transformed from non-profit organizations and enterprises. Social enterprises transformed from social organizations mainly rely on government funding and social donations, and

after transforming into social enterprises, they still lack sufficient market awareness and experience in business operation, making it difficult for them to adapt to the changing environment of the market. [9] After transforming into social enterprises, they still lack sufficient market awareness and business operation experience and methods, making it difficult for them to adapt to the changing environment of the market, while social enterprises transformed from enterprises tend to prioritize profit-seeking and neglect public interests, thus deviating from the original purpose of establishing social enterprises. It is the lack of a good governance model and a highly efficient operation model that has led to social enterprises generally failing to give full play to their full value in the provision of community-based home care services.

5. Optimization Path of Social Enterprises' Involvement in Community Home-Based Elderly Services

5.1. Improve laws and regulations and increase government support

At present, China has not yet introduced uniform legal provisions for the certification of social enterprises. It should define social enterprises in terms of legislation as soon as possible, formulate a special Social Enterprises Law, set up a special certification body, clarify the social status and legal identity of social enterprises, and establish a set of special recognition standards for organizations that want to apply for social enterprises to carry out rigorous control, and then finally make a public announcement and establish a complete list of social enterprises. The government should establish a set of special recognition criteria, strictly control the organizations that want to apply for social enterprises, and finally make public announcements, and establish a complete directory of social enterprises, so as to enhance social awareness and information disclosure. [10] The government can amend the Charity Law. The government can amend the Charity Law and related laws to ensure that social enterprises enjoy corresponding policy concessions, and also clarify the governance norms and benefit distribution mechanism of social enterprises through legislation, so as to safeguard the public interests created by them. In addition, among the social enterprises certified in China, the percentage of those belonging to the field of providing elderly services and protection is still relatively low (see Figure 2). The government should expeditiously introduce supportive policies for social enterprises and encourage them to actively intervene in the field of elderly services and provide community-based elderly services through measures such as tax breaks, transfer payments and government purchases, as well as strengthen supervision and enhance the level of industry autonomy to safeguard the healthy development of the social enterprise sector at the systemic level. It is also necessary to strengthen supervision and raise the level of autonomy of the industry, so as to protect the healthy development of the social enterprise industry at the institutional level.

5.2. Optimize corporate governance and improve business operations

The operation of any enterprise involves the problems of capital and talent, and social enterprises, as an emerging organizational model, still face difficulties in attracting talent and raising capital. In terms of raising capital, in addition to relying on financial support from the government, it is also possible to broaden the source of capital by attracting capital from a variety of social actors, such as non-profit organizations, for-profit enterprises, individuals and foundations, and to rationally use it to make investments, increase productivity, provide high-quality services while lowering costs, and enhance market competitiveness. In terms of business operation, social enterprises cannot copy the profit model of ordinary enterprises, and they should constantly adjust their business model in the process of organizational development and seek for a suitable way of operation for the organization. On the one hand, they have to segment the target market, provide complete, comprehensive and up-to-date products and services to customers, and adapt to customer needs; on the other hand, social enterprises have to select a reasonable position in the value chain, develop a unique value network, reconstruct business connection methods, and carry out business model innovation. [11] On the other

hand, social enterprises should select a reasonable position in the value chain, develop a unique value network, reconstruct business connection methods and carry out business model innovation. Social enterprises should also grasp the characteristics of the information age, reasonably use Internet technology to build service platforms, provide intelligent products, adapt to the characteristics of the community home care model, so that the elderly population can enjoy convenient and fast services.

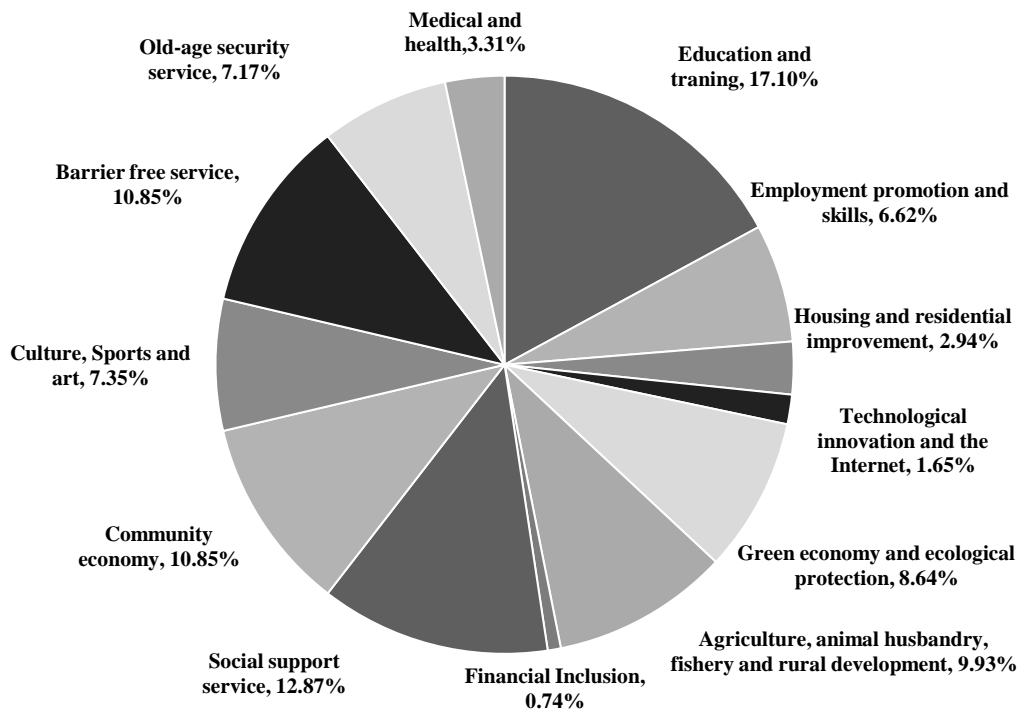


Figure 2. Distribution of the number of social enterprises by sector

5.3. Strengthening publicity and promotion to increase visibility

At present, the public still has certain cognitive misunderstandings about social enterprises, China's elderly population upholds the traditional thinking that charitable welfare should not need to be purchased, social enterprises can make use of the traditional media such as television, radio and newspapers, which have high frequency of contact with the elderly, short-video platforms, and community bulletin boards to publicize, improve the transparency of the enterprise, and let the community understand its mode of operation, which will help to improve the credibility of the enterprise. The elderly population has a high preference for freedom of movement. At the same time, the elderly population prefers to live at home in the community because of their preference for freedom, cost-saving, and desire for affection, etc. Social enterprises should target the psychological desires of the elderly population to launch a publicity campaign, so that the elderly population can deeply understand the characteristics of the social enterprise's products and the organization's purpose, and increase the intention of purchasing its products and services. Social enterprises can also carry out brand building, establish a correct corporate image, establish a perfect brand management system, which is conducive to buyers to understand the corporate culture faster, for the organization's innovative products and services will also generate more trust. It should be noted that in the process of brand building should be both targeted and universal, the development of brand slogans and publicity should take into full account the actual, and gradually reduce the marketing costs, more human and material resources to improve the quality and level of service. [12] The brand building process should also be both targeted and universal.

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