

# Social Entrepreneurship – Possibilities and Prospects Conference, Belgrade, Serbia

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Dr. Sarabajaya Kumar SOCIAL ENTREPRENEURSHIP and SOCIAL ENTERPRISE



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# Social Enterprise

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- ‘Social Enterprise’ (SE) - subject to a certain **definitional promiscuity** (Nyssens, 2006; Aiken, 2006).
- **Several perspectives** - ‘**Social Economy**’ (Borzaga & Defourny, 2001; Pearce, 2003); ‘**UK Policy Business**’ (DTI, 2002); ‘**Nonprofit**’ (Dees, 1998) and ‘**Cross-Sectoral**’ (Paton, 2003).
- Depends on perspective - SEs are **hybrid** (Billis, 2003; Evers, 1995) **trading organisations** - ‘**with primarily social objectives**’.

# Social Entrepreneurship

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Voluntary and  
Community  
Organisations  
(including  
Charities and  
Not-for-  
Profits)

Social  
Enterprises

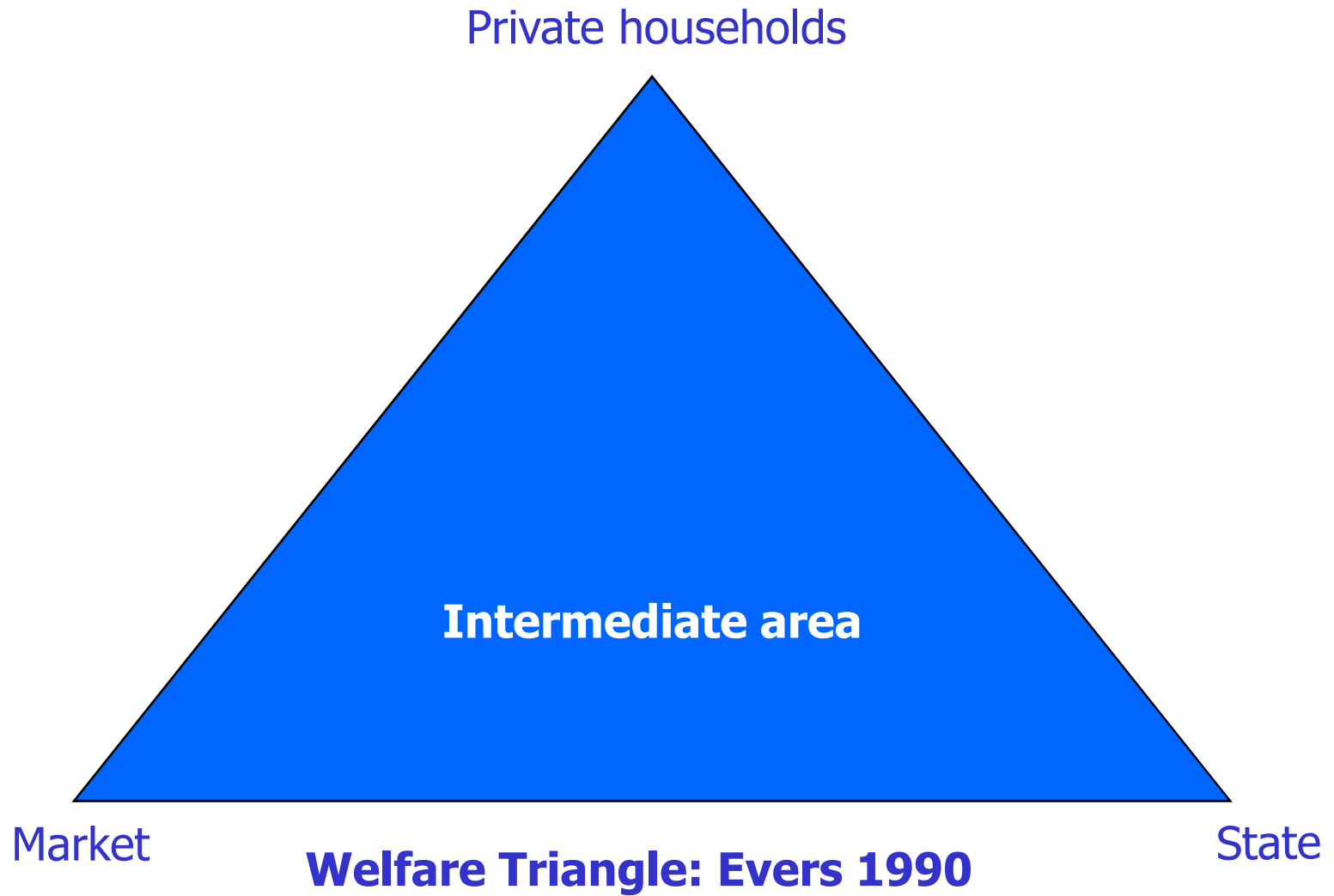
Corporate  
Hybrids

**The Spectrum of Social  
Entrepreneurship**

# Social Entrepreneurship

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# Social Entrepreneur, Social Entrepreneurship, Social Enterprise

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- Until recently, notions of 'social entrepreneur', 'social entrepreneurship' and 'social enterprise' were used interchangeably (Defourny & Nyssens, 2008).
- Social entrepreneurship is the process through which social entrepreneurs create social enterprises (Defourny & Nyssens, 2008).
- In the last decade a fast growing literature has produced various definitions and approaches in relation to Social ... 'Entrepreneur', 'Entrepreneurship' and 'Enterprise'.

# Entrepreneurship/Social Entrepreneurship - US

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- Jean Baptiste **Say** (19<sup>th</sup> Century)
- Joseph **Schumpeter** (20<sup>th</sup> Century)
- **Drucker** (Contemporary)
- **Stevenson** (Contemporary)
- **Dees** (Contemporary) 'father of the field – 'Social Entrepreneurship'. Social entrepreneurs are entrepreneurs with a social mission. Social entrepreneurs look for the most effective methods of serving their social missions (Dees, 1998: 1). Mission related impact becomes the central criterion rather than wealth creation (Dees, 1998: 2).

## Social Entrepreneurs – a 'rare breed'

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- Social Entrepreneurs play the **role of change agents** by:
- adopting a mission to create and sustain social value;
- recognising and **relentlessly pursuing** new opportunities to serve that mission;
- engaging in a process of **continuous innovation, adaptation and learning**;
- **acting boldly** without being limited by resources currently in hand;
- exhibiting heightened accountability to constituencies serves and for outcomes.

## Social Enterprise Difference between US and EU

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- US Foundations promoting Social Entrepreneurship include Skoll and Ashoka. Ashoka - founded in 1980s, identifies and supports individuals with the enthusiasm and the passion of entrepreneurs, to achieve maximum social impact.

<http://www.ashoka.org/>

<http://www.skollfoundation.org/>

- In Europe, the emphasis, on the contrary, has often been much more on the collective approach – associative/cooperative organisational form – in responding to social issues.

<http://www.emes.net/index.php?id=2>



## Social Enterprise – EMES - European Research Network

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- EMES European Research Network - co-operative/collective conception of social enterprise – ‘institutional arrangement explicitly aimed at pursuing a social goal, through the carrying out economic activities, in a stable and continuous way’.
- Ownership rights - assigned to stakeholders (consumers, workers, donors, community). Governance - promotes stakeholder participation and democratic management. Profits - non distribution constraint.

## Social Enterprise UK

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- Social enterprise is a **generic** term encompassing many different sorts of organisation - different **organisational models** and **legal forms**.
- Long **history** – **co-operative** and **mutual** organisations in 1800's and **charities** that have trading activities. **Mid 1990s** rebranding some **co-operatives** and **charities** into SEs.
- Embraced by all **UK political parties** and **Government**. Documents published from 1999 onwards. **SEU** established in **2002** within **DTI** and moved in **2006** to **OTS** within **Cabinet Office**.
- Approximately **62,000** social enterprises, employing **800,000** people and contributing **£8.4 billion** to **GDP**.

## Social Enterprise and Public Policy in the UK

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- Government commitment to community, involvement in public service delivery and scaling social enterprise.
- Social enterprises at heart of government's drive to create new jobs and deliver public services more effectively through global financial downturn.
- £500 million public investment.
- Delivery of National Waste Management Strategy (2003).
- Department of Health's allocated £100 million to social enterprise development in health and social care (2007).
- DOH's 'Right to Request' (2008).
- Social Enterprise Coalition Research (2009) indicates that SEs are bucking the trend, with over half having increased their annual turn-over since the start of the economic downturn.
- [http://www.cabinetoffice.gov.uk/newsroom/news\\_releases/2009/090513\\_sesummit.aspx](http://www.cabinetoffice.gov.uk/newsroom/news_releases/2009/090513_sesummit.aspx)

# Social Entrepreneurship - Social Enterprises

## Café Fifteen

<http://socialenterpriseambassadors.org.uk/gallery/penny-newman?show=video>

<http://www.fifteen.net/thefifteenstory/Pages/Levi.aspx>



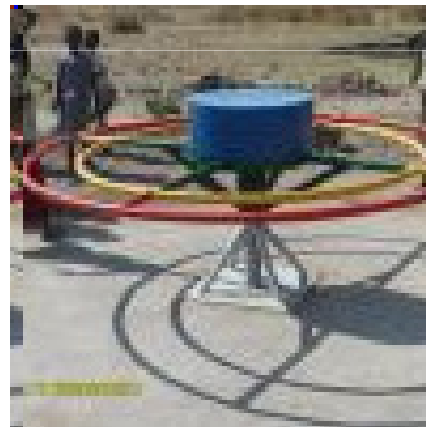
## Summary – Why Social Enterprise?

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- Social enterprises have a **social, community or ethical purpose** but use a **market-based business model**. They provide goods or services on a **not-for-profit** basis but are financially **self-sustaining**.
- Contribute to **economic growth** through **job creation** and **well being** through tackling difficult problems and benefitting specific groups in society such as the long term unemployed or people with disabilities.
- Provide **services** that might **not** otherwise exist improving **quality of life**.
- Their **innovative** capacity is increased through **hybridisation**.
- By contributing to both **social** and **economic goals**, social enterprises can play a **vital role** in **empowering communities** and helping them become more productive.

## One

- 2 million deaths/year – contaminated water
- On average - 5 hours/day to collect water = 40 billion hours/year
- PlayPump water systems.



[http://www.youtube.com/watch?v=P3vuDlpDM2E&feature=player\\_embedded](http://www.youtube.com/watch?v=P3vuDlpDM2E&feature=player_embedded)

## Social Entrepreneurship - Entrepreneurs/Social Entrepreneurs – Jake Hayman and Ana Caistor-Arendar



<http://www.futurefirst.org.uk/About/AboutFutureFirst.aspx>

