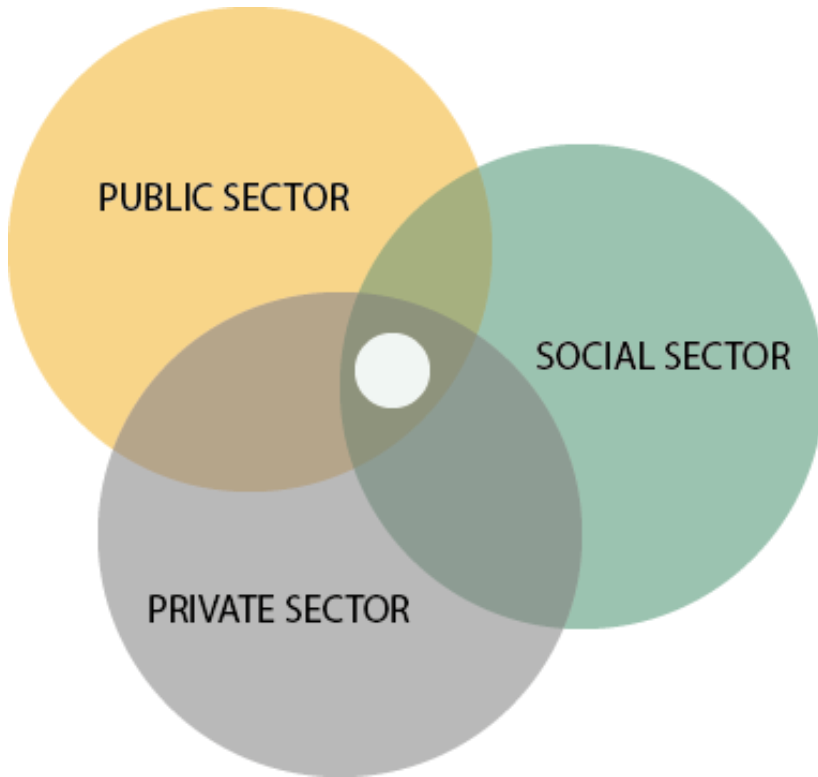


Social Entrepreneurship (SE)

Topic 5. Profit and Social Business

Lecturer: Kakhramon Kholov

What is Social Enterprise?



- A new private and emerging enterprise found at the intersection of the private, public and social sectors (Fourth Sector Network, 2019)
- A for-benefit enterprise

What is Social Enterprise?

Social enterprises trade to tackle social problems & challenges: to improve communities, people's life chances, or the environment. They make their money from selling goods and services in the open market, but they reinvest their profits back into the business or the local community.

So when they profit, society profits.



What is Social Enterprise?



Social enterprises are **dynamic, progressive** businesses that we can all learn from.

They **experiment and innovate**, and have the advantage of being able to draw upon best practice in the voluntary sector, as well as the **entrepreneurial** flair that exists in the best of our companies.



What is Social Enterprise?



“Social enterprise lies at the heart of the **social economy**. Social enterprises are businesses that **trade in the market** for a **social purpose** and what differentiates them is that their social mission is as core to their success as any potential profit. There are broadly speaking **three common characteristics**:

Explicit social aims

There is a clear social purpose which drives the organization or business. This explicit social aim is core to the activities, rather than incidental. Any profit that the business makes is reinvested into the purpose of the social enterprise.



Commercial activity

The venture will aim to derive a significant portion (more than 50%) of its income from commercial contracts or the sale of goods and services to a market. The organization may still however generate income from a variety of other sources such as local government grants or donations etc.



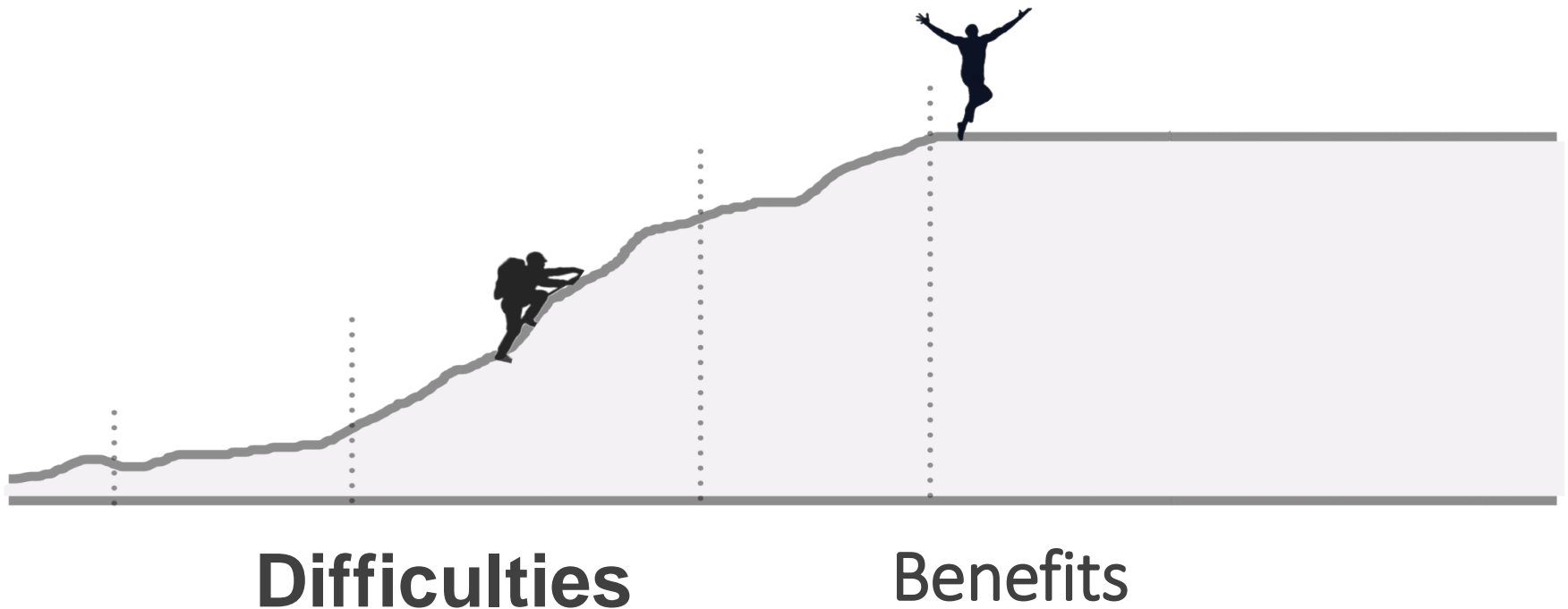
Social ownership

There will be community accountability either through a co-operative structure or management by voluntary trustees.



Entrepreneurial readiness

- **Gaining investments**
- **Scaling-up** (start-up costs may be higher)
- A very **broad range of stakeholders**
- **Improve the social condition** of low-income people
- **Regenerate communities**
- Create **employment opportunities**



Entrepreneurial readiness

- **Double aims of equal importance:**
 - explicit social and/or environmental aim
 - commercial aim and activities
- **Innovative use of resources**
 - scarce, limited, rare

- Mixed funding
- Open and responsible decision-making and **governance**
- Create **employment**
- Offer **service to communities**



Social economy enterprises are important because:

employment/involvement

Up to 160 million people in Europe are employed/involved with social economy enterprises.

Retail | Banking and agricultural cooperatives | Mutual societies offering services complementary to social security regimes

Objectives

Social economy enterprises contribute to the EU's: employment | social cohesion | regional and rural development | environmental protection | consumer protection | agricultural, third countries development | social security policies.

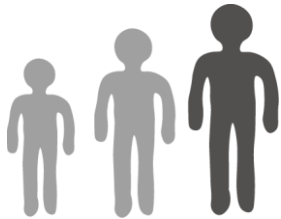
Size

Social economy entities are mostly micro, small, and medium-sized enterprises (SMEs).

An alternative business model

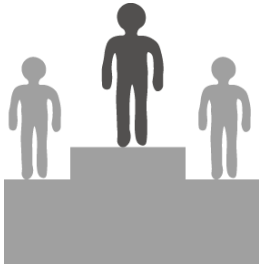


Social enterprise is a **dynamic way** of doing business that **can transform communities** and **drive profound and lasting social change**. As businesses which **maximise community benefit over personal financial gain**, social enterprises **deliver solutions that are bigger, better, bolder and fitter**.



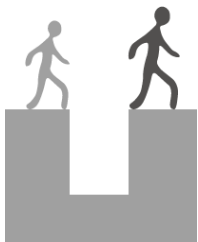
Bigger

because they deliver joined-up social, environmental and economic outcomes



Better

because they are community-focused and sustainable



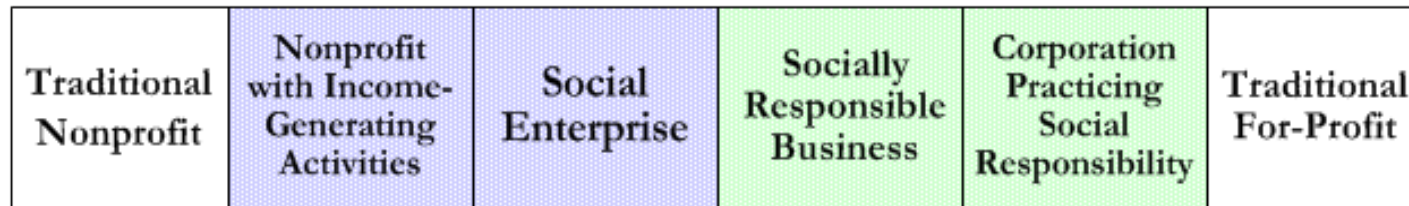
Bolder and fitter

because their independence enables social enterprises to be innovative and ambitious.

An alternative business model



Hybrid Spectrum



- Mission Motive •
- Stakeholder Accountability •
- Income reinvested in social programs or operational costs •
- Profit-making Motive •
- Shareholder Accountability •
- Profit redistributed to shareholders •

Source: <http://www.4lenses.org/book/export/html/81>

There are many types of social enterprise:

- cooperatives,
- development trusts,
- community owned companies,
- community interest businesses
- employee owned businesses,
- credit unions,
- intermediate labour market companies,
(including social firms/WISE's)
- registered social landlords,
- trading arms of charities



as well as an increasing number of hybrid versions of the various approaches to social enterprise.

There are many types of social enterprise:

Community owned shops and pubs

Hesket Newmarket - Pub and Brewery, England



“Under new ownership - Ours”



Kirkmichael Village shop and café, Scotland



There are many types of social enterprise: WISE- Recycling, employability training



[HOME](#) [ABOUT US](#) [BUSINESS](#) [LOCAL AUTHORITIES](#) [COMMUNITY](#) [FURNITURE](#) [NEWS](#) [CONTACT US](#)



MATERIALS WE RECYCLE

We support a 'closed loop' recycling policy. This means that, wherever possible, the materials we collect are recycled back into their original use. This is seen as the most environmentally efficient method of recycling. The vast majority of our materials are recycled within Scotland and the UK, thus supporting UK jobs. This, along with our central location, helps reduce our carbon footprint.

THE MAIN MATERIALS WE RECYCLE ARE:

- Cardboard
- Paper
- Plastics
- Glass
- Cans
- Food
- Tins
- Small electrical items
- Textiles
- Redundant IT equipment
- Batteries
- Ink toners and cartridges

In the central Scotland area, we provide a waste food disposal service. We are particularly good at finding uses for material that is difficult to recycle, so if you have a waste material that you don't see listed, please [contact us](#) for advice and assistance.

There are many types of social enterprise:

WISE various sector, employability training



Gaitasunak lantzen
Potenciando Capacidades



GUREAK
AKADEMI



Gaitasunak lantzen
Potenciando Capacidades



GUREAK
AKADEMI



GRUPO GUREAK SERVICES

THE ONLY ONE SOLUTION FOR THE CUSTOMER

- Gardening
- Industrial Cleaning
- Industrial Laundry
- Petrol Stations
- Multi services (vending services, running car parks, librarians, maintenance of buildings....)
- Catering services
- Old's people home and day centre
- Direct and promotional marketing
- Document processing
- Advertisement post

More than
1800 people



GRUPO GUREAK INDUSTRIAL

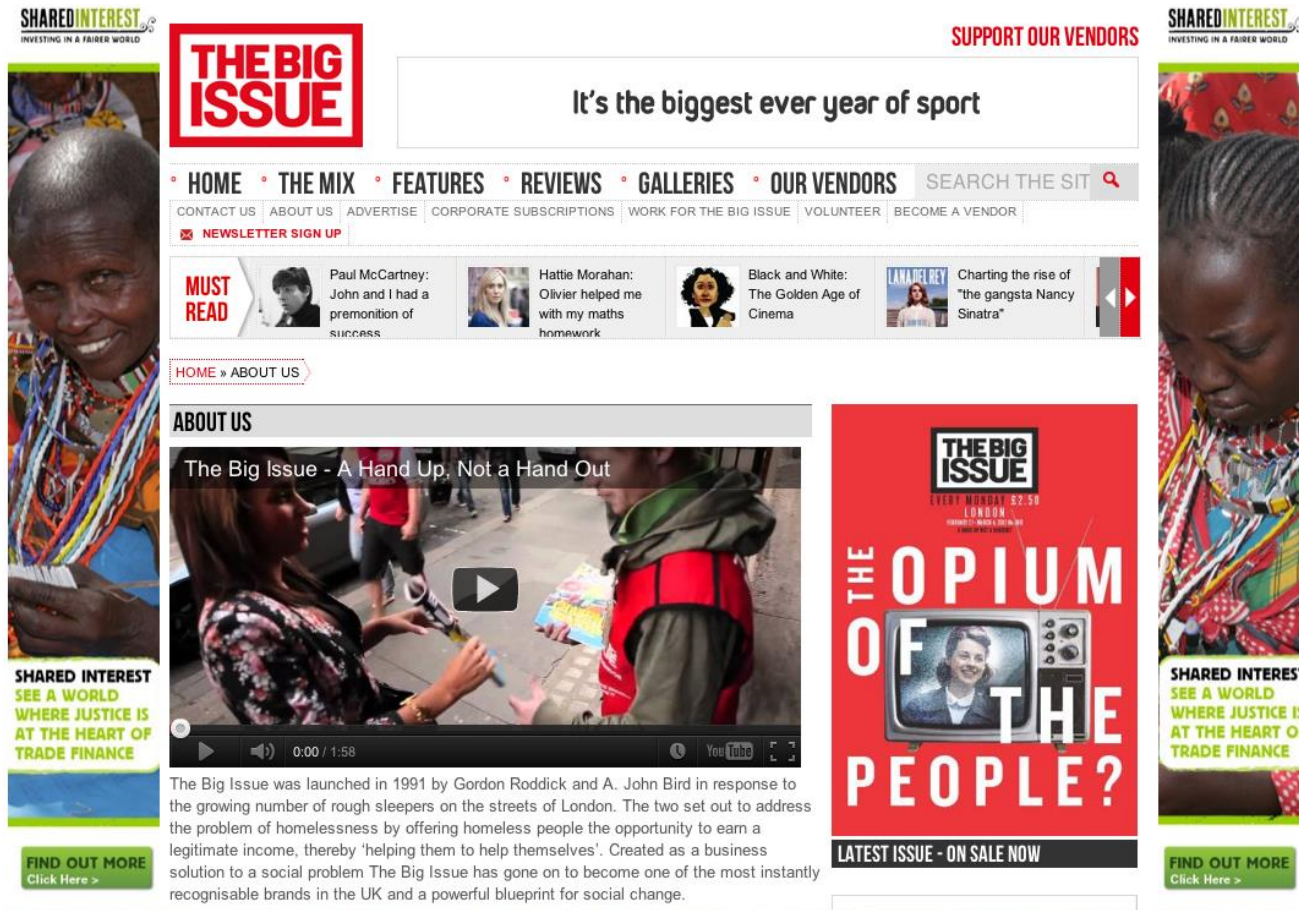
SALES: 19,5 Million € (2009)

PURCHASE: 11,6 Million € (2009)

15 workshops and 1.500 people working



There are many types of social enterprise: homeless employability



The screenshot shows the homepage of The Big Issue website. At the top left is the logo for SHARED INTEREST, INVESTING IN A FAIRER WORLD. The main header features the 'THE BIG ISSUE' logo in a red box, followed by the headline 'It's the biggest ever year of sport'. Below this is a navigation menu with links for HOME, THE MIX, FEATURES, REVIEWS, GALLERIES, and OUR VENDORS, along with a search bar. A secondary menu includes CONTACT US, ABOUT US, ADVERTISE, CORPORATE SUBSCRIPTIONS, WORK FOR THE BIG ISSUE, VOLUNTEER, and BECOME A VENDOR. A newsletter sign-up button is also present. A 'MUST READ' section highlights several articles, including one about Paul McCartney and another about Hattie Morahan. Below the navigation is a 'HOME » ABOUT US' breadcrumb trail. The main content area is titled 'ABOUT US' and features a video player with the title 'The Big Issue - A Hand Up, Not a Hand Out'. To the right of the video is a red promotional banner for 'THE OPIUM OF THE PEOPLE?' magazine, with the text 'LATEST ISSUE - ON SALE NOW'. On the left and right sides of the page are vertical banners for SHARED INTEREST, featuring a woman in traditional African attire and the text 'SEE A WORLD WHERE JUSTICE IS AT THE HEART OF TRADE FINANCE'. At the bottom of these banners are 'FIND OUT MORE' buttons with 'Click Here >' links. The video player shows a woman in a floral dress interacting with a homeless man in a red vest on a city street.

SHARED INTEREST
INVESTING IN A FAIRER WORLD

THE BIG ISSUE

SUPPORT OUR VENDORS

It's the biggest ever year of sport

- HOME
- THE MIX
- FEATURES
- REVIEWS
- GALLERIES
- OUR VENDORS

SEARCH THE SITE

CONTACT US | ABOUT US | ADVERTISE | CORPORATE SUBSCRIPTIONS | WORK FOR THE BIG ISSUE | VOLUNTEER | BECOME A VENDOR

NEWSLETTER SIGN UP

MUST READ

- Paul McCartney: John and I had a premonition of success
- Hattie Morahan: Olivier helped me with my maths homework
- Black and White: The Golden Age of Cinema
- Charting the rise of "the gangsta Nancy Sinatra"

HOME » ABOUT US

ABOUT US

The Big Issue - A Hand Up, Not a Hand Out

SHARED INTEREST
SEE A WORLD WHERE JUSTICE IS AT THE HEART OF TRADE FINANCE

FIND OUT MORE
Click Here >

THE OPIUM OF THE PEOPLE?

LATEST ISSUE - ON SALE NOW

SHARED INTEREST
SEE A WORLD WHERE JUSTICE IS AT THE HEART OF TRADE FINANCE

FIND OUT MORE
Click Here >

The Big Issue was launched in 1991 by Gordon Roddick and A. John Bird in response to the growing number of rough sleepers on the streets of London. The two set out to address the problem of homelessness by offering homeless people the opportunity to earn a legitimate income, thereby 'helping them to help themselves'. Created as a business solution to a social problem The Big Issue has gone on to become one of the most instantly recognisable brands in the UK and a powerful blueprint for social change.

There are many types of social enterprise: fair income transfers

The screenshot shows the Divine Chocolate website. At the top, there is a navigation bar with a shopping cart icon (0 items), a search icon, and menu items: ABOUT US, GOOD STUFF, RECIPES, and SHOP. The main content area is titled 'About Us' and features a large image of a woman in a cocoa field with the text 'Proudly FARMER OWNED'. Below this image is a paragraph stating that Divine is the only Fairtrade chocolate company which is 44% owned by cocoa farmers. To the right of the main image is a vertical list of links: MORE ABOUT, CHOCOLATEERS, INSIDE DIVINE, THE DIVINE STORY, BEAN TO BAR, FAQs, RESOURCES, and FOR RESEARCHERS. Below the main text are four smaller image-based sections: 'Inside DIVINE' (a woman's face), 'Research & RESOURCES' (hands holding a chocolate bar), 'Divine Chocolate Story' (a tree in a nutshell), and a section with Adinkra symbols. On the far right, there are four more promotional tiles: 'Annual REPORTS', 'See our RANGE', 'Divine AWARDS', and 'Divine TRADE'.

Divine
CHOCOLATE

(0 items) 🔍

ABOUT US GOOD STUFF RECIPES SHOP

About Us

Proudly
FARMER OWNED

Divine is the only Fairtrade chocolate company which is 44% owned by cocoa farmers.

While Fairtrade ensures farmers receive a better deal for their cocoa and additional income to invest in their community, company ownership gives farmers a share of Divine's profits and a stronger voice in the cocoa industry.

- MORE ABOUT ▶
- CHOCOLATEERS
- INSIDE DIVINE
- THE DIVINE STORY
- BEAN TO BAR
- FAQS
- RESOURCES
- FOR RESEARCHERS

Inside
DIVINE

What is Divine all about? Our mission, company structure and Board ▶

Research &
RESOURCES

Facts & figures about Divine, Kuapa Kokoo, chocolate, cocoa, and Ghana ▶

Divine Chocolate Story ▶

Take a look at our sweet animation that tells the amazing story of Divine in a nutshell.

Roll your mouse over these west African Adinkra symbols to discover their special meanings

Divine
TRADE
Trade customers area

Meet the
DIVINE
Chocolateers

Annual
REPORTS
Our story in detail

See our
RANGE
in our online shop

Divine
AWARDS
see what we've won

There are many types of social enterprise: community support

The screenshot displays the website for Grassmarket Community Project. At the top, the logo features a stylized 'G' icon and the text 'grassmarket community project'. Contact information includes the phone number 'Tel: 0131 225 3626' and social media icons for Facebook and Twitter. A navigation menu lists 'Home', 'About Us', 'Get Involved', 'What We Do', 'Photo Gallery', 'News', and 'Contact Us'. The main banner image shows a diverse group of people, including a man with a dog, gathered around a wooden table. Below the banner are six content blocks: 'grassmarket centre' (an award-winning conference space), 'grassmarket cafe' (a social enterprise serving rustic food), 'our twitter feed' (a tweet from @socialinvestscot), 'grassmarket furniture' (a self-sustaining social enterprise for furniture), 'grassmarket tartan' (a tartan textiles group), and 'donations' (a call to action for support). A 'JustGiving' logo and a 'Donate now' button are also visible.

grassmarket
community project

Tel: 0131 225 3626

f t

Home About Us Get Involved What We Do Photo Gallery News
Contact Us

grassmarket centre

An award-winning conference and events space in the heart of Edinburgh, providing an inspiring venue for meetings and events.

grassmarket cafe

A social enterprise serving rustic, homemade food whilst providing a unique blend of support and nurture to vulnerable adults.

our twitter feed

Tweets Follow

14h
SocialInvestmentSc

@socialinvestscot
A great start to our Social Investment Workshops tour across Scotland, held at: #socent
@GCP_Edinburgh
pic.twitter.com/d5i3L9i9iL
Retweeted by Grassmarket CP

Tweet to @GCP_Edinburgh

grassmarket furniture

A self-sustaining social enterprise which offers support and develops skills through the creation of bespoke wooden furniture.

grassmarket tartan

In our tartan textiles group, our trained tailor equips members with the skills required to create a range of beautiful handmade products.

donations

Please help us keep doing the work we do by giving through our Just Giving page.

Although we are becoming more self-sustaining, we do still rely on our supporters!

JustGiving

Donate now

There are many types of social enterprise: environmental education

About Us

You are here: [HOME](#) > [ABOUT US](#)



The Ecology Centre is a community based charity which was established as a non-profit making organisation in August 1998.

The organisation came into being through an advisory group set up by people from the local community and residents of Craigencalt Farm. The purpose of the organisation, known then as Craigencalt Ecology Centre, was to develop and manage the Kinghorn Loch site for community use. In 2006 a decision was made to change the name of the organisation and today we are simply known as The Ecology Centre.

Our Site

With the help of the Scottish Land Fund, we were able to purchase the land at the east end of Kinghorn Loch, which will house our new centre and grounds. The grounds are currently being developed by staff and volunteers and will be used in the future for our growing projects, Education Visits and outdoor volunteer days, our new site will continue to be a well-managed area of biodiversity and a haven for natural wildlife.

Volunteers and staff

As our previous site grew, so did the need for additional volunteers and staff to help with the day to day running of the Centre. Today we have an army of volunteers who regularly attend the Centre and help with the many and varied tasks around the Site. We employ 11 members of staff as well as providing employment training opportunities through Project Scotland and Community Jobs Scotland. We also accommodate school and college placements.

Education Programme

In this Section

[Our Team](#)

[Mission/Values](#)

[News](#)

[Vacancies](#)

[Our Site](#)

[Funders](#)

[Legal](#)

[Support Us](#)



[Visit our
Out of the Wood Workshop](#)



There are many types of social enterprise: housing association



-
- introduction**
- residents
- housing options
- housing services
- board
- about us: corporate information
- contact us
- recruitment
- news + events
- downloads & publications
- cold weather information
- links
- heating information
- dalmore master plan information
- latest news 

Albyn Housing Society serves an ever-growing number of communities in the Highlands, providing good quality, affordable housing for thousands of people across the region. Through three decades the Society has listened and responded to the views of its customers, local government, communities and businesses in meeting housing needs in the Highlands.



rented housing

We manage over 2,000 homes and operate waiting lists for each town / village



low cost home ownership

This scheme offers people who have a limited or modest income the opportunity to buy an affordable property



transfers + exchanges

Apply to transfer to another Albyn property or to exchange with another tenant



dalmore master plan

Proposed Masterplan and Phase 1 Development for Housing and related uses



repairs + maintenance

Information on who is responsible for the



paying your rent, occupation + service charges



frequently asked questions

If you have a housing



about us

information on the Society, the Board and our partners

Developing respect and confidence within the community

The Hercules Association offers the opportunity for socialisation and social involvement to beneficiaries of all ages, within the community. It has built an events centre that is available for rent to individual and local companies for events such as weddings, dinners, conferences, and seminars. Upon request, it also offers additional services such as event production, catering and decorating services. Proceeds are used to benefit 25 low-income children.



Mapping of social enterprises and their ecosystems in Europe



Study: Map of social enterprises and their ecosystems in Europe. European Commission, December 2014.

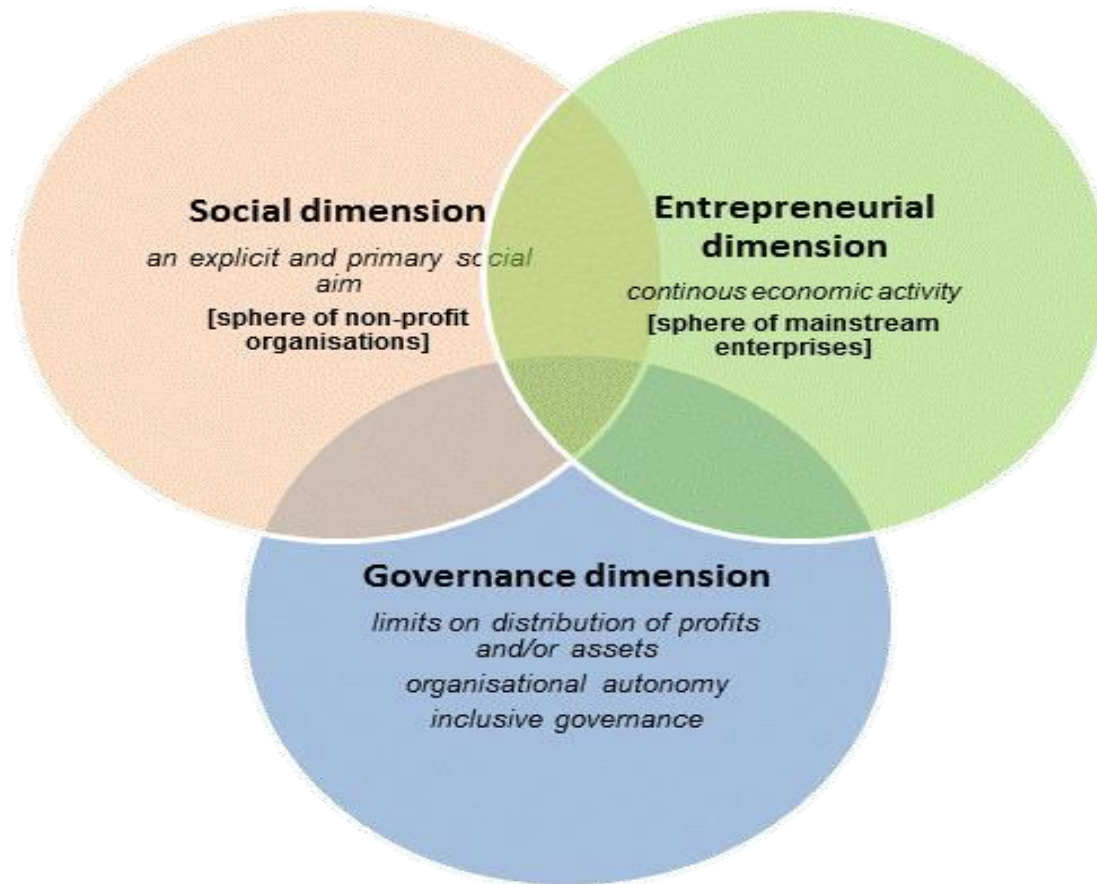
This study mapped:

- the scale and characteristics of social enterprise activity in each of 29 countries;
- the national policy and legal framework for social enterprise;
- support measures targeting social enterprise;
- labelling and certification schemes where these exist; and
- social (impact) investment markets.

Mapping of social enterprises and their ecosystems in Europe



Three key dimensions of a social enterprise:



Mapping of social enterprises and their ecosystems in Europe



The following core criteria were established:

- The organisation must engage in economic activity: this means that it must engage in a continuous activity of production and/or exchange of goods and/or services;
- It must pursue an explicit and primary societal aim: a societal aim is one that benefits society;

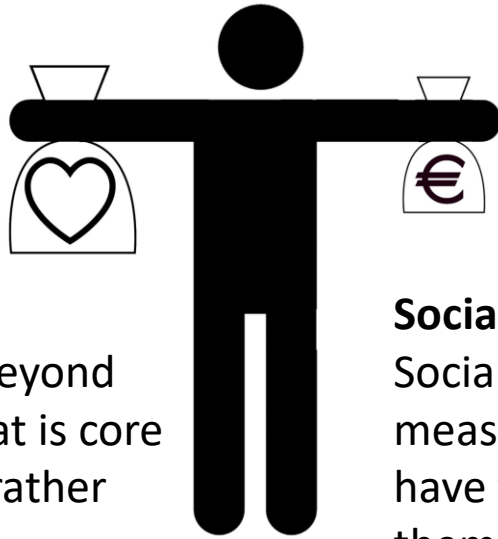
Mapping of social enterprises and their ecosystems in Europe



The following core criteria were established:

- It must have limits on distribution of profits and/or assets: the purpose of such limits is to prioritise the societal aim over profit making;
- It must be independent i.e. organisational autonomy from the State and other traditional for-profit organisations;
- It must have inclusive governance i.e. characterised by participatory and / or democratic decision-making processes.

Social: aims, values, objectives



Social Aims

Social purpose beyond profit making that is core to the activities rather than incidental

Social Objectives

Social aims that are specific, measurable, realistic and may have targets attached to them.



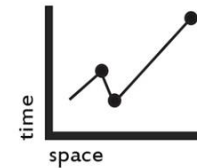
Specific



Measurable



Achievable



Realistic



Time

Social: aims, values, objectives

Social Values

principles that we use to determine our behaviour, and in the context of SE, inspire social entrepreneurs and enterprises



What are values?

- participation & empowerment
- equality
- environmental sustainability;
- good, safe, satisfying, interesting work
- fair pay and good employment practices
- self development, skilling, education and training
- ethical behaviour
- a commitment to communities
- safe, healthy, good quality, user focused products and services
- transparency and trust
- co-operation between enterprises.

Ethical behaviour in business

Ethical behaviour

- honest accounting and tax calculation;
- paying suppliers on time;
- providing quality goods and services;
- keeping your promises;
- treating members, staff, customers and suppliers with courtesy, dignity and respect; conserving natural resources and protecting the environment.



Unethical behaviour

- using insider knowledge or confidential information for personal gain;
- buying poor materials and equipment because there is some kind of payoff from the supplier;
- side-stepping rules and regulations, such as health and safety, because it is cheaper and more convenient to do so;
- miscalculating invoices and hoping customers won't notice;
- providing misleading information in order to win contracts;
- making false claims about products or services;
- adjusting business expense accounts in order to make a personal profit.



Examples of how to measure performance and social impact



Social Impact: measures social/mission gains and risks as a result of the social enterprise:

- number of beneficiaries assisted or who are active as well as jobs created per year, as number and range
- average income of active beneficiaries as a result of the social enterprise.

Financial Sustainability: measures the financial sustainability gained as a result of the enterprise activities.

Organizational Development: measures the organizational development gained as a result of the enterprise operations (e.g., increase in capacity, infrastructure, efficiency, etc.).





Village Life

- Introduced the concept of development through responsible travel to almost 30 Romanian villages
- Over 70 rural families benefitted (directly or indirectly) from capital infusion brought through Village Life's travel program
- Brought 150 travelers from more than 10 countries to visit Romanian villages that were never thought of as touristic
- 22 families hosted events and provided guidance to travelers, gaining experience in the hospitality sector, an important source of non-agricultural income
- Promoted responsible travel to the Romanian village, as well as its traditions and customs, to over 500 000 people all over the world



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