Communicate the overall phenomenon of Social entrepreneurship

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Warning!

Data unreliable





WHY?

- 1. Definitions vary
- 2. Research is generally outdated
 - 3. What should we measure?





Social economic business spectrum

There is no single legal form for a social entrepreneur's venture



Social return focus Financial return focus





Impact of definitions on statistics

Example

UK government estimates 70, 000 social enterprises in UK (not for profit)

Versus

Delta Economics state 235,000 businesses which founders claimed to be socially motivated





What are we defining?

"Social enterprises are businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or community, rather than being driven by the need to maximise profit for shareholders and owners" SEUK

'Social intrepreneur' is someone who drives social or environmentally positive change within a organisation; typically a employee within a large corporation.

'<u>Sustainability</u>' is the running of a business or delivery of a product or service over a period of time in a financially viable way and without causing social or environmental damage.





EU definition

Social Businesses

The European Commission Social Business Initiative communication, stated "In its approach to this varied sector, the Commission does not seek to provide a standard definition which would apply to everyone and lead to a regulatory straitjacket. It offers a description based on principles shared by the majority of the Member States, while respecting their diversity of political, economic and social choices and the capacity for innovation of social entrepreneurs. This is why the Commission will only adopt a more specific definition, as required, if regulatory measures or incentives require the scope of application to be precisely set out with the representatives of the sector being closely involved in the process".





Definition made simple

Social entrepreneurs create businesses to do social or environmental good









Employment and number of businesses

A 2009 study assessed the share of the population involved in social related businesses as 4.1% in Belgium, 7.5 % in Finland, 3.1 % in France, 3.3 % in Italy, 5.4 % in Slovenia and 5.7 % in the United Kingdom.

Approximately one in four businesses founded in Europe would therefore be a social business. This figure rises to one in three in Belgium, Finland and France

Source: European Commission communication: Social Business Initiative {SEC(2011) 1278 final}





Sectors

Social

- Community cohesion, empowerment, inequality
- Tackle injustice e.g. racism, sexism, homophobia
- Health and education
- Tackling unemployment, poverty, crime

Environment

- Waste reduction, management and re-cycling
- Pollution of air, water
- Provision of sustainable energy
- Climate change

Examples of areas where social entrepreneurs focus

Cultural

- Promote cultural education and understanding
- Film, theatre, music
- Engagement in sport
- Amenities

Economic

- Design and production of sustainable goods and services
- fair trade for commodity producers
- Employment and skills
- Pioneer new business models





Example - Italy's 'other economy'

Roughly defined as businesses including organic farms, fair trade organisations, social finance orgs, renewable, waste recycling, open source orgs, etc.

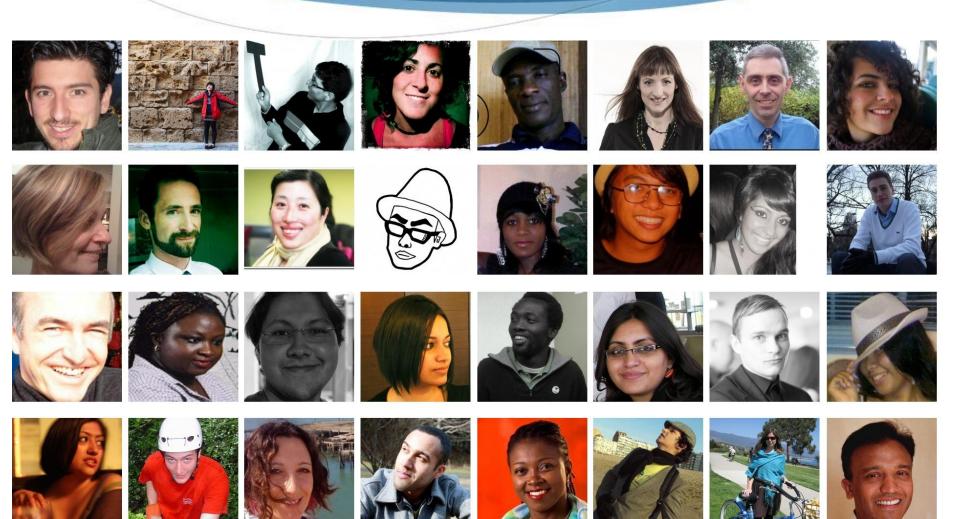
- Turnover in 2008 = 60 billion euros, (4% of GDP)
- That's against 27 billion of the conventional non-profit sector

Source: www.obi-one.eu





Challenge: How best to measure their contribution?





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World community of social entrepreneurs with 16,000 members in over 200 countries



