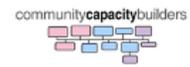


## Key Features of the Participatory Governance Approach



In this lecture we are going to explore the key features of the participatory governance social entrepreneurship approach. This approach has its roots in mainland Europe and the EMES social entrepreneurship approach.

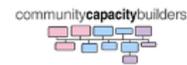
## Mainland Europe

- the concepts of social entrepreneurship and social enterprise:
  - derive from a collective tradition whereby co-operatives are the dominant organisational form.
- the term “social” initially referred to a collective organisational form

Teasdale, 2011

- Considers social enterprises to generally consist of the following types:
  - associations,
  - co-operatives,
  - mutual organisations, and
  - foundations
- allow for some profit distribution due to the inclusion of co-operatives

Hoogendoorn et al., 2010



In Mainland Europe the concepts of social entrepreneurship and social enterprise actually derived from the European collective tradition where co-operatives were the dominant organisational form.

In Mainland Europe the term “social” did not initially refer to social value creation but rather to a collective organisational form.

Teasdale, 2011

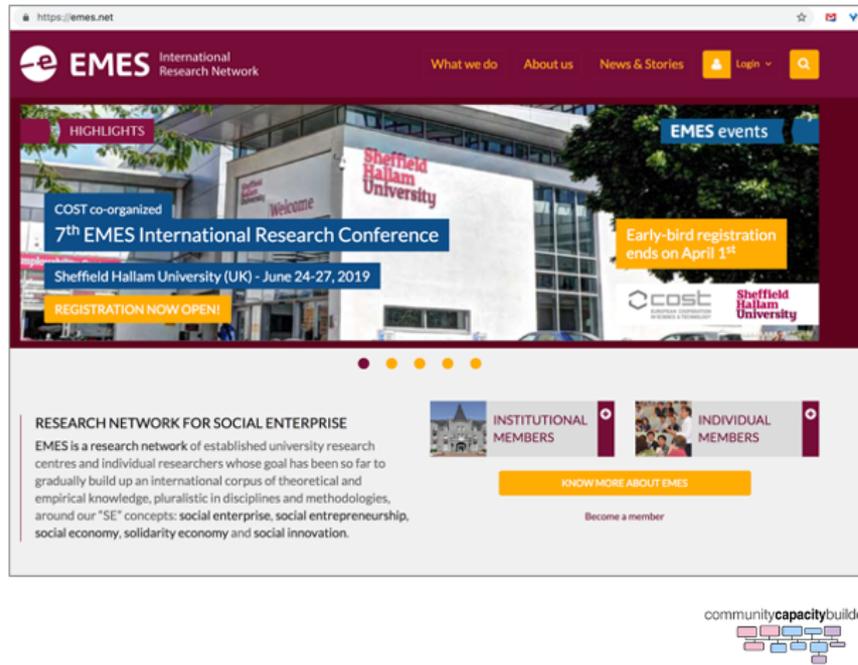
In Mainland Europe, social enterprises generally consisted of the following types:

- associations,
- co-operatives,
- mutual organisations, and
- foundations

Unlike the American social enterprise school, social enterprises in Mainland Europe did allow for some profit distribution due to the inclusion of co-operatives

Hoogendoorn et al., 2010

## "EMergence des Entreprises Sociales en Europe"



The Mainland Europe participatory approach is often called the EMES approach after the EMES Research Network that was established in 1996.

The EMES Research Network was established by scholars that came together to investigate the emergence of social enterprise within the European Union and establish a broad definition that allowed for the national differences within the European Union.

Hoogendoorn, 2010, pp. 7-8

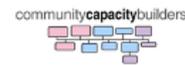
The letters EMES stood for the network's original French name which is shown at the top of this slide. The acronym EMES was subsequently retained when the network decided to become a formal international association.

Defourny, 2013

## Eleven Social Enterprise Criteria

- Economic and entrepreneurial dimensions:
  - a continuous activity producing goods and/or selling services
  - a high degree of autonomy
  - a significant level of economic risk
  - a minimum amount of paid work
- Social dimensions:
  - an explicit aim to benefit the community
  - an initiative launched by a group of citizens
  - a decision-making power not based on capital ownership
  - a participatory nature, which involves various parties affected by the activity
  - a limited profit distribution

Defourny & Nyssens, 2010



Instead of a concise definition, the EMES European Research Network established eleven criteria to identify organizations that would probably be 'social enterprises' in each of the 15 countries forming the EU at the time.

The criteria were not intended to be prescriptive, they were intended to just be guidelines for identifying social enterprises.

Four of the criteria reflect the economic and entrepreneurial dimensions of social enterprises. These are:

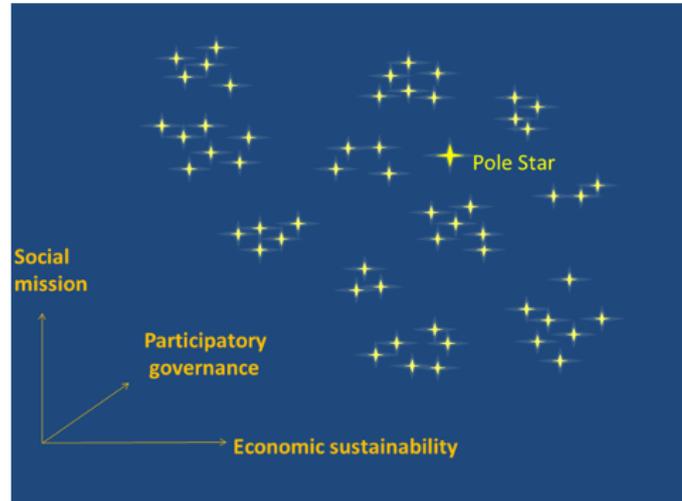
- a continuous activity producing goods and/or selling services;
- a high degree of autonomy;
- a significant level of economic risk; and
- a minimum amount of paid work.

The remaining five criteria encapsulate the social dimensions of social enterprises:

- an explicit aim to benefit the community;
- an initiative launched by a group of citizens;
- a decision-making power not based on capital ownership;
- a participatory nature, which involves various parties affected by the activity; and
- a limited profit distribution.

Defourny & Nyssens, 2010

## Distinguishing Criteria



Defourny, 2013

communitycapacitybuilders

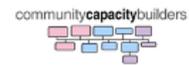
While the indicators were initially presented as two subsets – the list of four economic and entrepreneurial indicators and the list of five social indicators, more recently they have been shown as three subsets. The addition of the third participatory governance subset enables the unique participatory characteristics of the participatory governance or EMES approach to social entrepreneurship to be highlighted.

Defourny & Nyssens, 2012

## Eleven Social Enterprise Criteria

- Economic and entrepreneurial dimensions:
  - a continuous activity producing goods and/or selling services
  - a significant level of economic risk
  - a minimum amount of paid work
- Social dimensions:
  - an explicit aim to benefit the community
  - an initiative launched by a group of citizens
  - a limited profit distribution
- Participatory governance:
  - a high degree of autonomy
  - a decision-making power not based on capital ownership
  - a participatory nature, which involves various parties affected by the activity

Defourny & Nyssens, 2012



The reclassification of the EMES criteria into three subsets has three criteria in each of the three subsets

For the economic and entrepreneurial dimension, the criteria are:

- a continuous activity producing goods and/or selling services
- a significant level of economic risk
- a minimum amount of paid work

For the social dimensions the criteria are:

- an explicit aim to benefit the community
- an initiative launched by a group of citizens
- a limited profit distribution

And for the participatory governance dimension the criteria are:

- a high degree of autonomy
- a decision-making power not based on capital ownership
- a participatory nature, which involves various parties affected by the activity

Defourny & Nyssens, 2012

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