

The Social Dimension



In this lecture we are going to explore the social dimension of the participatory governance social entrepreneurship approach.

Social Dimension

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

Defourny & Nyssens, 2012



The Participatory Governance approach identifies three criteria that encapsulate the social dimensions of social enterprises:

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

Defourny & Nyssens, 2012

Benefit the Community

- Principal aim of social enterprises serving:
 - the community or
 - a specific group of people
- Desire of social enterprises to promote a sense of social responsibility

Defourny, 2001



The participatory governance approach has the principal aim of social enterprises serving the community or a specific group of people. These social enterprises also have the desire to promote a sense of social responsibility at the local community level.

Defourny, 2001

Initiative Launched by a Group of Citizens

- Initiative created by a community or group of people that share a well-defined aim.
- Collective dynamic between people needs to be maintained over time

Defourny, 2001



The second criteria is that social enterprises are created by a community or group of people that share a well-defined aim.

This criteria also recognises that the collective dynamic between the people involved in the social enterprise must be maintained over time

Defourny, 2001

Limited Profit Distribution

- The collective approach:
 - includes non-profits that have a total non-distribution constraint, and
 - co-operatives which may distribute profits, but only to a limited extent.

Defourny, 2001



The final criteria in the social dimension is that social enterprises have limited profit distribution. That's because the participatory governance approach includes nonprofits that have a total non-distribution constraint and it also includes co-operatives which may distribute profits, but only to a limited extent.

Defourny, 2001

References:

- Defourny, J., 2001. From third sector to social enterprise. In: C. Borzaga and J. Defourny, eds. The emergence of social enterprise. London and New York: Routledge, 1–28.
- Defourny, J., & Nyssens, M. (2012). Conceptions of social enterprise in Europe: A comparative perspective with the United States. In Social enterprises (pp. 71-90). Palgrave Macmillan, London.