

Social Enterprise



In section 1 of Unit 4 we are going to focus on social enterprise ecosystems. Before we explore social enterprise ecosystems, in this lecture we will look at what are social enterprises.

Social Enterprise School

- also rooted in the body of knowledge of commercial entrepreneurship
 - the commercial entrepreneurship tradition that defines entrepreneurship as the process of creating and managing (new) organisations

Hoogendoorn et al., 2010



As already highlighted in the Introduction of this Unit, in Unit 1 of this program, we noted that the Social Enterprise School of social entrepreneurship focused on creating and managing social enterprises.

Social Entrepreneurship Approaches

- Social enterprise school
- Participatory governance approach
- Communitarian approach
- Marketisation approach



The social enterprise school is one of four social entrepreneurship approaches that we discussed in Unit 1 that focuses on social enterprise. The four are:

- The social enterprise school
- The participatory governance approach
- The communitarian approach, and
- The marketisation approach

Social Enterprise

- 'Social enterprises are organisations that:
 - Are led by an economic, social, cultural, or environmental mission consistent with a public or community benefit;
 - Trade to fulfil their mission;
 - Derive a substantial portion of their income from trade; and
 - Reinvest the majority of their profit/surplus in the fulfilment of their mission'

Barraket et al., 2010, p. 4



In Australia, the most commonly used definition of social enterprise is the FASES definition. It has been called the FASES definition because it was derived from the 2010 Finding Australia's Social Enterprise Sector (FASES) study. According to this study 'Social enterprises are organisations that:

- Are led by an economic, social, cultural, or environmental mission consistent with a public or community benefit;
- Trade to fulfil their mission;
- Derive a substantial portion of their income from trade; and
- Reinvest the majority of their profit/surplus in the fulfilment of their mission' (Barraket et al., 2010).

References:

- Barraket, J., Collyer, N., O'Connor, M. and Anderson, H. (2010), *Finding Australia's social enterprise sector*, Brisbane, Queensland: Australian Centre for Philanthropy and Nonprofit Studies, Queensland University of Technology and Social Traders.