

## WHAT IS SOCIAL ENTREPRENEURSHIP?

The term social entrepreneur refers to a person who is engaged in some form of activity that is 'driven' by *social goals*, that is *entrepreneurially oriented*, and that involves some form of *social ownership and participation*. The related terms social enterprise and social entrepreneurship are frequently used interchangeably by social entrepreneurs and academics; and they have different meanings and purposes. Let's look more closely at all three terms.

**Social entrepreneurs** are persons who are passionate about changing the world; and who identify practical solutions to social problems. Social entrepreneurs are always resourceful. They have a *sense of knowing when to grasp opportunities*. They often *see things in unique ways*. They can work across a range of areas or disciplines including education, health, housing, the environment, unemployment, refugees, human rights and others; but they usually choose an area that best suits their strengths and competence. As Pamela Hartigan from the Schwab Foundation has put it, "social entrepreneurs are people who seize on the problems created by *change as opportunities to transform societies*". We in the AISE network think that this description "change as opportunities" applies equally to the transformation of communities and small groups in local contexts.

A **social enterprise** usually refers to a project, or an organization in/through which social entrepreneurs work. Social entrepreneurs often speak about their social enterprises and these are more often than not conducted in a community or through an organized group. The word therefore is more an institutional expression signalling the work of an organization or community. The most important thing to recognize however is that when this term is used in the more narrow sense it tends to *define* rather narrowly just *who* is engaged in social enterprise work. Many groups of volunteers and community members even though they demonstrate attributes of a social entrepreneur (for example, they are innovative, serve minority groups, are committed to participation and a sense of 'ownership' etc), they are *excluded* from being considered under this name. Used narrowly, the term also tends to exclude rather than include organizations. A second and fundamentally important aspect of a social enterprise is that it is an *alternate business model that combines financial sustainability with social and environmental missions, or multiple bottom lines* ([www.sel.org.uk](http://www.sel.org.uk))

The term **social entrepreneurship** differs from the above in that it refers to a *state of being or doing* social enterprise, and to the *practice* of socially enterprising work. Social entrepreneurship is about social entrepreneurs engaging in initiatives that demonstrate many (and new) organizational forms which may include hybrid nonprofit and for-profit hybrid structures. The term may be regarded as more *inclusive* than the term social enterprise since it tends to embrace many volunteers and grantees (even where there is no earned income) who engage in enterprising and innovative work. We believe that social entrepreneurship consists of many diverse groups that

may appear sometimes disparate, fragmented and isolated. Their common objective of addressing social change and the transformation of society in the 21<sup>st</sup> century draws them together.

We use the term *social entrepreneurship* in describing our Institute because we are a support organization working *across all sectors for social entrepreneurs who are driven by the passion to make a difference while earning an income to sustain themselves*. We use the term because it is inclusive and we acknowledge that organizations and projects set up by social entrepreneurs defy pigeonholing or being compartmentalized into 'silos' or knowledge disciplines. By 'cutting across these silos and disciplines we believe that social entrepreneurs can and do relate more readily with both private *and* public sectors.

You can read more about social entrepreneurship from the [Research](#) and [Learning](#) areas on the left-hand-side of our website.