

Social Enterprise: Defining the Movement

What is a social enterprise?

A social enterprise is an organization or venture that achieves its primary social or environmental mission using business methods. The social needs addressed by social enterprises and the business models they use are as diverse as human ingenuity. Social enterprises build a more just, sustainable world by applying market-based strategies to today's social problems.

What is the Social Enterprise Alliance?

The Social Enterprise Alliance is the only member organization in North America to bring together the diverse field of social enterprise. It serves as advocate for the field, hub of information and education, and builder of a vibrant and growing community of social enterprises.

Are all social enterprises nonprofits?

The social enterprise movement includes both nonprofits that use business models to pursue their mission and for-profits whose primary purposes are social. Social mission is primary and fundamental; the organizational form depends on what will best advance the social mission.

Where do "social entrepreneurs" fit in?

Social entrepreneurs are individuals who pursue opportunities to create pattern-breaking change in inequitable systems, whether through social enterprises or other means.

What about corporate social responsibility?

Many companies whose primary purpose is to create value for ownership are also committed to adopting a wide range of socially and environmentally responsible practices in their operations. Because their social missions are not primary, they are not considered social enterprises.

What kinds of business models do social enterprises use?

Social enterprises use an endless array of business models for the common good. Samples include: retail, service and manufacturing businesses that help people overcome employment barriers; contracted providers of social and human services; fee-based consulting and research services; community development and financing operations; and even technology enterprises. Chances are you already do business with social enterprises without even knowing it.

Why do people launch social enterprises?

Many nonprofit organizations see social enterprise as a way to reduce their dependence on charitable donations and grants while others view the business itself as the vehicle for social change. Whether structured as nonprofits or for-profits, social enterprises are simply launched by social entrepreneurs who want to improve the common good and solve a social problem in a new, more lasting and effective way than traditional approaches. They are conceived and operated by visionary entrepreneurs who recognize potential where others may not see it and who apply discipline, pragmatism, courage and creativity to pursue their solution in spite of all obstacles, toward a world that is more abundant, secure and inclusive for all.