

Educating Social Entrepreneurs and Encouraging Social Innovation

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My argument in a nutshell

- Entrepreneurship is central to achieving innovation and economic and social change
- Entrepreneurship is generic and universal, but...
- Social entrepreneurs need a broader mix of skills than conventional business entrepreneurs
- Through inter-disciplinary collaboration, universities can effectively prepare social entrepreneurs
- Universities can also nurture social enterprise and facilitate innovation and social change in a variety of other ways including research and collaboration in community projects

What exactly is entrepreneurship?

- Work undertaken by venturesome individuals who stimulate economic progress by finding new and better ways of doing things (Jean-Baptiste Say, 1803)
- Bringing about “new combinations” of the means of production (Schumpeter, 1934)
- Searching for change, responding to it, and exploiting change as an opportunity (Drucker, 1995)
- Note, the concept of entrepreneurship arose in connection with the business economy, but is essentially generic and applies to all sectors
- Markets and profit seeking are not intrinsic to entrepreneurship

Entrepreneurs

- “Catalysts” essential to innovation and change
- Varieties of entrepreneurs:
 - Commercial business entrepreneurs
 - Public sector policy and program entrepreneurs
 - Nonprofit sector entrepreneurs
 - “Social” entrepreneurs
- Spectrum of entrepreneurial motivations:
 - beliefs, autonomy, power, prestige, professional achievement, material reward, creativity, institutional loyalty
- Various styles
 - Individualistic, team players, occasional, chronic

Social entrepreneurship as a cross-sector phenomenon

- Social entrepreneurs are sector agnostic, pragmatic and opportunistic
- Social enterprises combine social purpose and commercial success
- Social enterprises take a variety of legal forms including for-profit businesses, nonprofits, cooperatives, new legal forms, holding company arrangements and inter-sector partnerships
- Social enterprises derive their support from markets, philanthropy and government in order to sustain themselves and achieve their social purposes

Examples

- **College Summit**
 - Organized as a nonprofit organization
 - Helps high school students from low income area schools apply to college
 - Negotiates partnerships with school districts and colleges
 - Funded through foundation grants, government and college partners
- **Louisiana Arts Works**
 - Nonprofit facility for artists, art organizations and the public
 - Obtains support and approval from several layers of government
 - Corporate funding support
 - Business plan accommodates cultural, commercial and economic development goals

Examples (2)

- **Benetech**
 - Two public charities and a for-profit subsidiary that develops high tech products for challenged, underserved populations
 - Combines charitable funding and sales revenues
- **Last Chance Thrift Shop**
 - A partnership of a nonprofit organization serving people with disabilities and a family-owned business specializing in resale of used goods
 - A proportion of gross sales goes to the nonprofit and the remainder goes to the business

Lessons from case studies

- Market-focused, political, philanthropic and generic management and leadership skills are required for successful social enterprise
- Required skill sets, related to sources of support, cross the boundaries of university-based business management, public administration and nonprofit management education programs

Alternative Entrepreneurial Skill Sets for Mobilizing Venture Resources

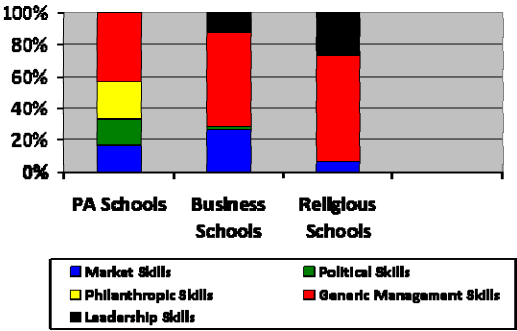
	Market Skills	Political Skills	Management Skills
Earned Income	Business planning Marketing/pricing <i>Securing venture capital</i>	<i>Relationships with partners, suppliers, investors; customer relations; industry networking</i>	<i>Financial planning & management; workforce motivation and productivity</i>
Government Funding	<i>Assessing political opportunities; framing proposals; grants & contracts; partnerships</i>	<i>Relationships with gov't officials; advocacy; maintaining public image and reputation.</i>	<i>Gov't regulation and reporting; evaluation and performance assessment</i>
Giving and Volunteering	<i>Prospect research; grant writing; donor solicitation; cause marketing; visioning</i>	<i>Cultivating donors and volunteers; public trust; cultivating corporations & foundations</i>	<i>Volunteer management; strategic planning; fund accounting; performance reporting</i>

Implications for university education of social entrepreneurs

- Differences in emphasis of market, political, philanthropic, and general management and leadership skills in curricula of business, public administration and other university venues
- No one venue offers an optimal or ideal combination of skills and knowledge for social entrepreneurship

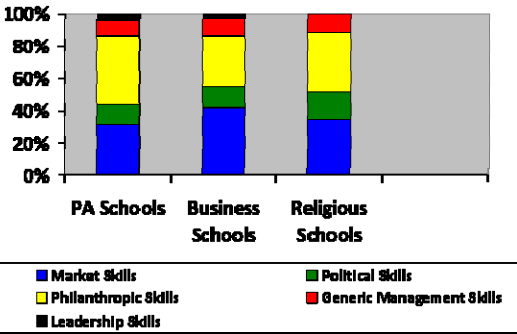
Combined Core Courses by Institutional Location

[from Mirabella and Young, 2011]

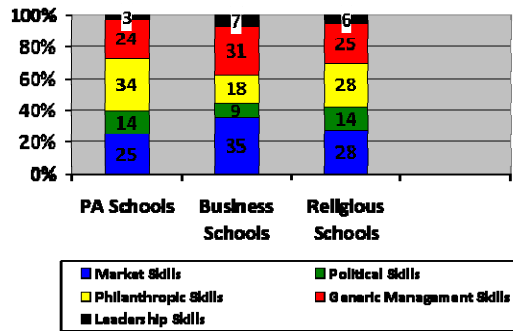


Combined Concentration course offerings by Institutional Type

[from Mirabella and Young, 2011]



Combined Master's Degree Curriculum by Institutional Location (%) [from Mirabella and Young, 2011]



What can universities do in terms of instruction?

- Broaden the curricula of traditional business, public and nonprofit management programs
- Encourage cross-disciplinary and joint degree programming, including certificate and portfolio programs in social enterprise and entrepreneurship

Other ways universities can contribute to capacity building for social enterprise

- Incubator programs for new social ventures
- Internships, student team projects, clinics, and faculty consultation programs in collaboration with social enterprises
- Hosting competition programs for innovative social ventures
- Research
 - on the sustainability, stability, and effectiveness of different forms of social enterprise, over time
 - on the motivations and incentives for social entrepreneurs
 - on public policies to sustain social enterprise and encourage social innovation, e.g., should government be picking winners?

Closing thought

- Just as social entrepreneurs are the catalysts for particular innovations, university programs can be the linchpins for the necessary exchange of ideas, information and personnel development for social enterprise and innovation in their communities