



**SOCIAL
ENTREPRENEURSHIP**

MSB 4182

COMPILED BY
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INTRODUCTION

THE IMPACT OF SOCIAL ENTREPRENEURSHIP ON SOCIETIES



FOCUS

OBJECTIVE

-
- Distinguish between an organizational and a societal perspective on social entrepreneurship and social business.
 - Compare the contribution of social entrepreneurship with the potential of charitable NGOs and aid, for-profit companies, and government provision.
 - Discuss social entrepreneurship as an alternative instrument for solving social problems and addressing social needs.
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4 QUESTIONS

TO THINK ...

WHAT CAN SOCIAL
ENTREPRENEURSHIP OFFER
FOR DEVELOPING COUNTRIES ?

2

WHAT CAN SOCIAL
ENTREPRENEURSHIP OFFER FOR
THE FUTURE DEVELOPMENT OF
CAPITALISM ?

4

1

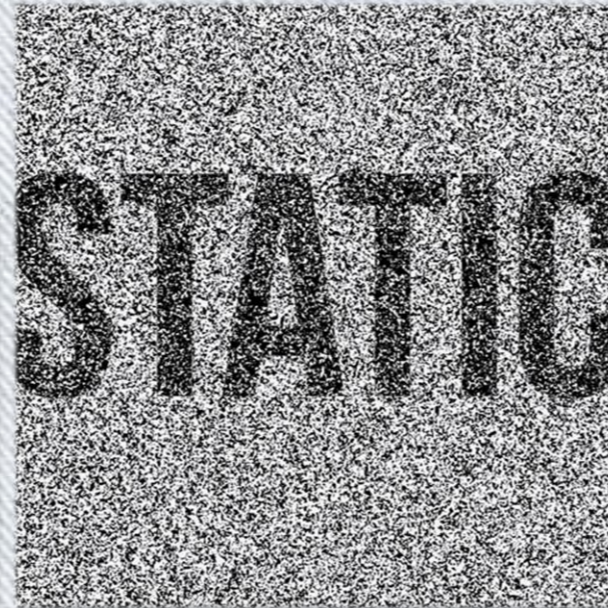
WHAT IS DIFFERENT ABOUT SOCIAL
ENTREPRENEURSHIP COMPARED TO
CHARITABLE NGOS, MARKETS, OR
PUBLIC GOVERNMENT PROVISION?

3

HOW DOES SOCIAL
ENTREPRENEURSHIP
IMPACT ECONOMIES?

IMPACT OF SOCIAL ENTREPRENEURSHIP

2 PERSPECTIVE



STATIC
This impact focuses on efficiency

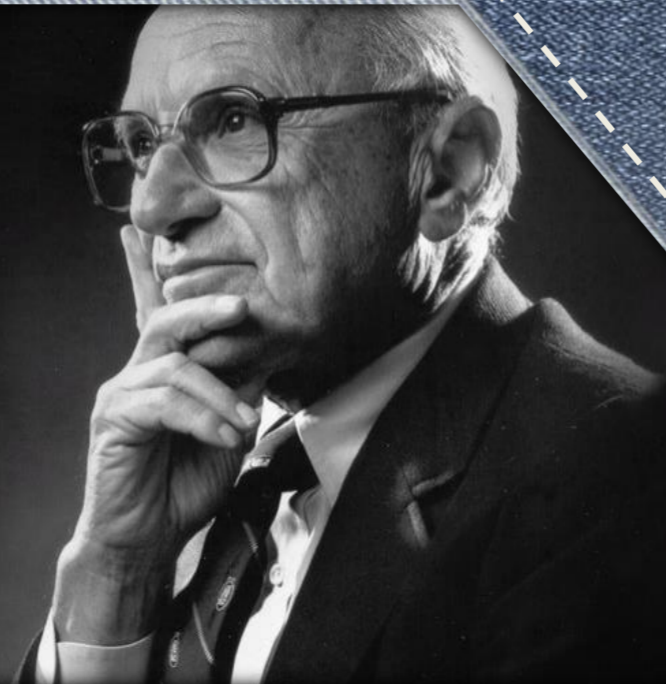
DYNAMIC
The impact focus on innovation



A SOCIETAL PERSPECTIVE ON IMPACT



THE RADICAL DIFFERENCE



MILTON FRIEDMAN

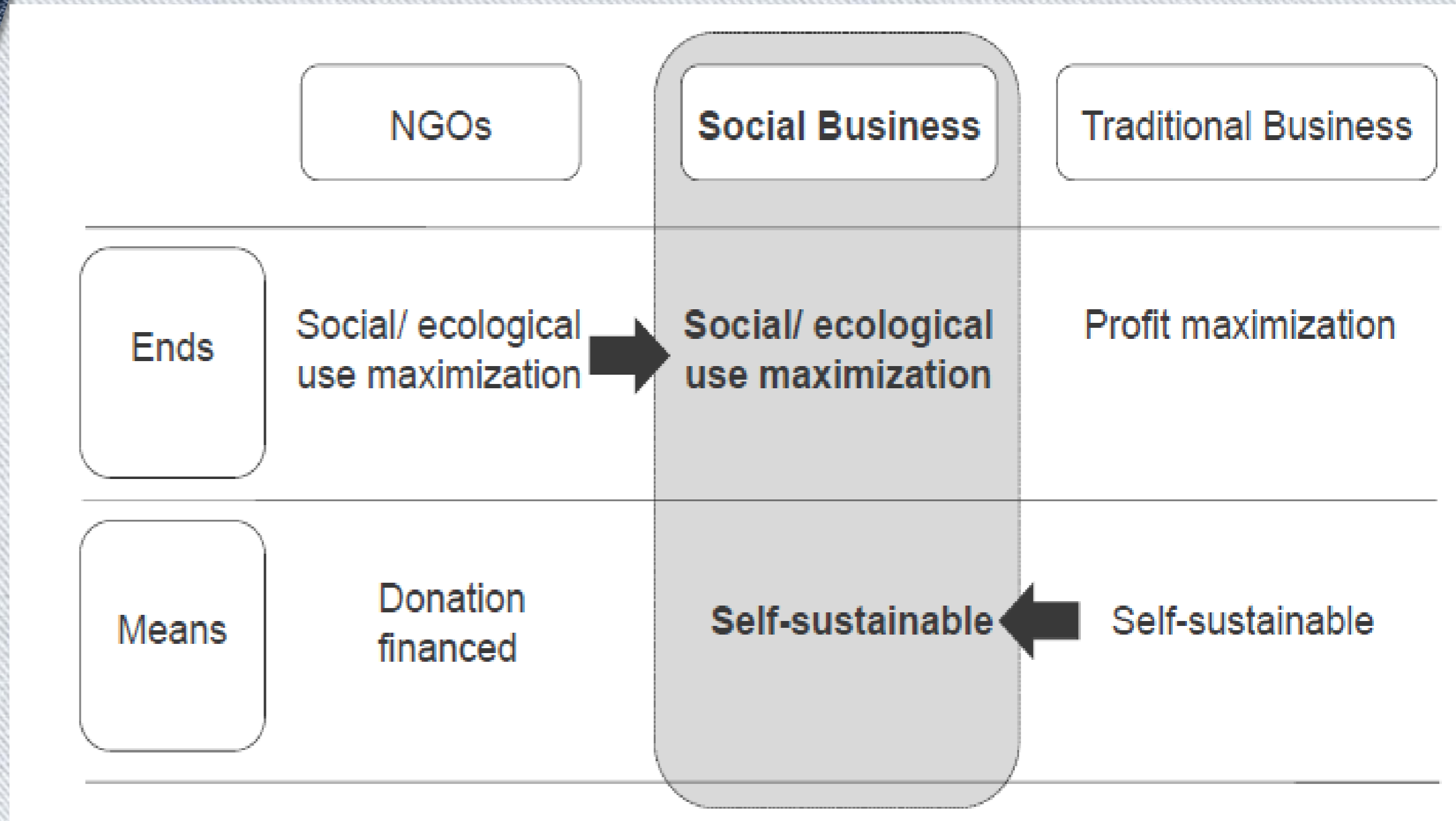
“SOCIAL RESPONSIBILITY OF BUSINESS IS TO INCREASE ITS PROFITS.



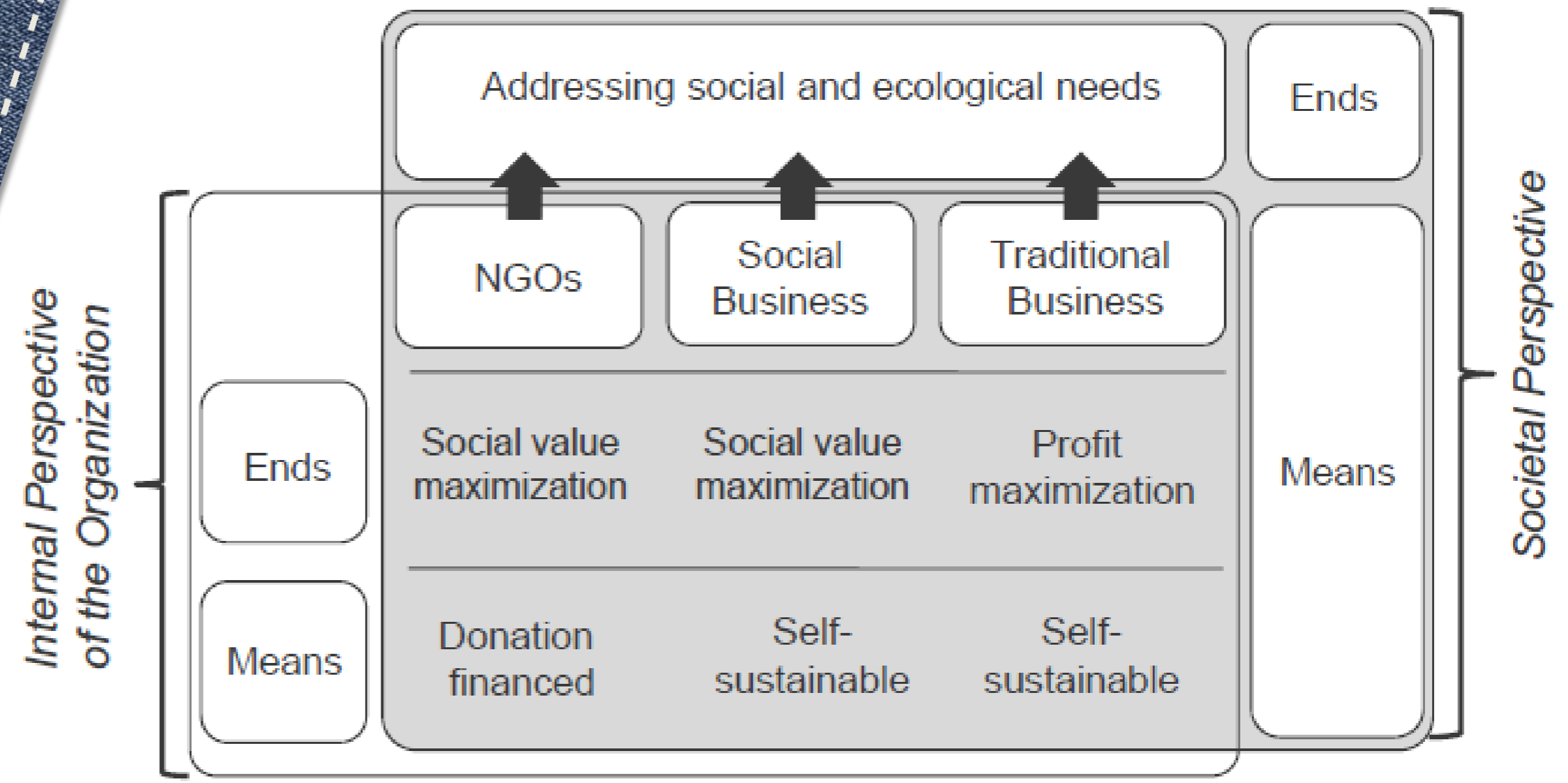
MUHAMMAD YUNUS

SOCIAL RESPONSIBILITY OF BUSINESS IS TO ADDRESS SOCIAL NEEDS.

THE MEANS AND ENDS OF NGOS, SOCIAL BUSINESS AND TRADITIONAL BUSINESS

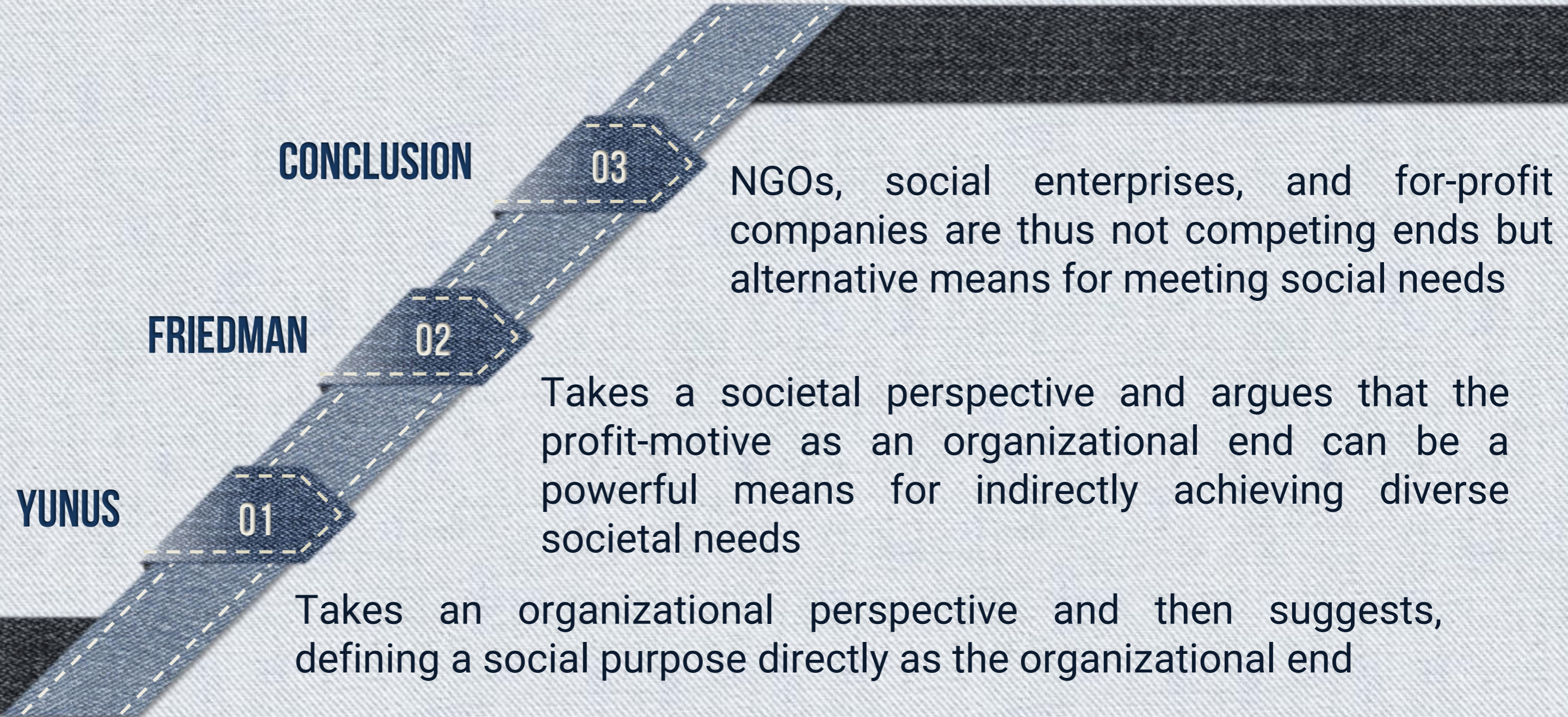


SOCIETAL PERSPECTIVE ON MEANS AND ENDS



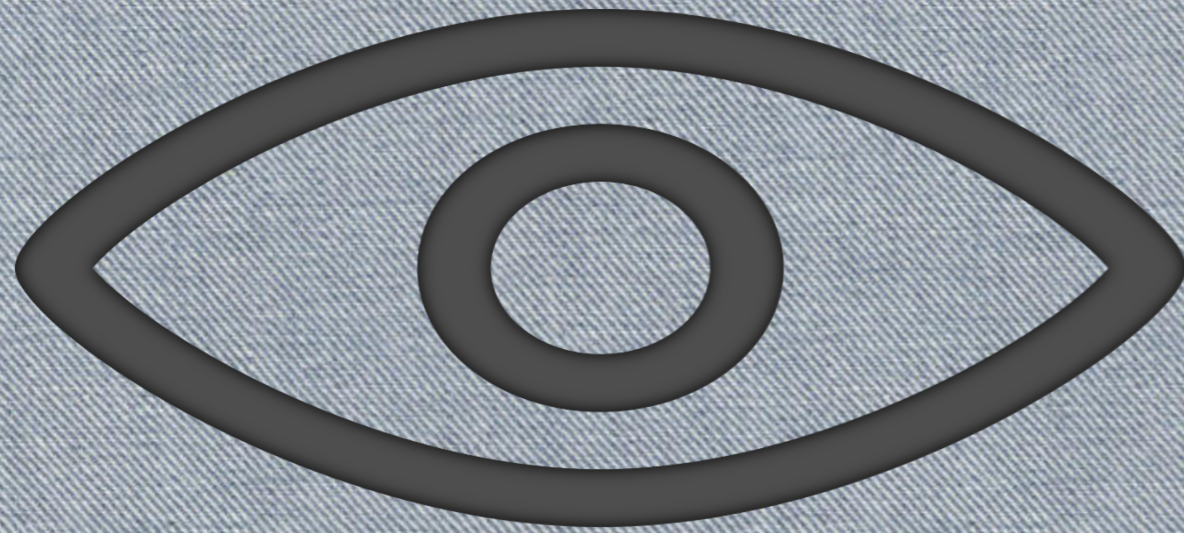
SOCIETAL PERSPECTIVE ON MEANS AND ENDS

CLARITY



SOCIETAL PERSPECTIVE ON MEANS AND ENDS

REVEALS TWO INSIGHTS



SOCIAL ENTREPRENEURSHIP VENTURE CANT BE COMPARED WITH FOR-PROFIT BUSINESS.

SOCIAL ENTERPRISE CANT BE COMPARED WITH NGO FINANCED BY DONATIONS.

SOCIETAL PERSPECTIVE ON MEANS AND ENDS

Social entrepreneurship can be seen as a “tool” to address social needs.

The powerfulness of the impact depends on:

- ✓ the problem to be solved,
- ✓ the conditions under which it will be used and
- ✓ the alternatives.

**Social entrepreneurship is often an important
second-best solution
in areas where first-best solutions fail**

STATIC IMPACT OF CHARITABLE NGOS AND AID VS. SE

THE MAJOR DIFFERENCE BETWEEN NGO AND SE

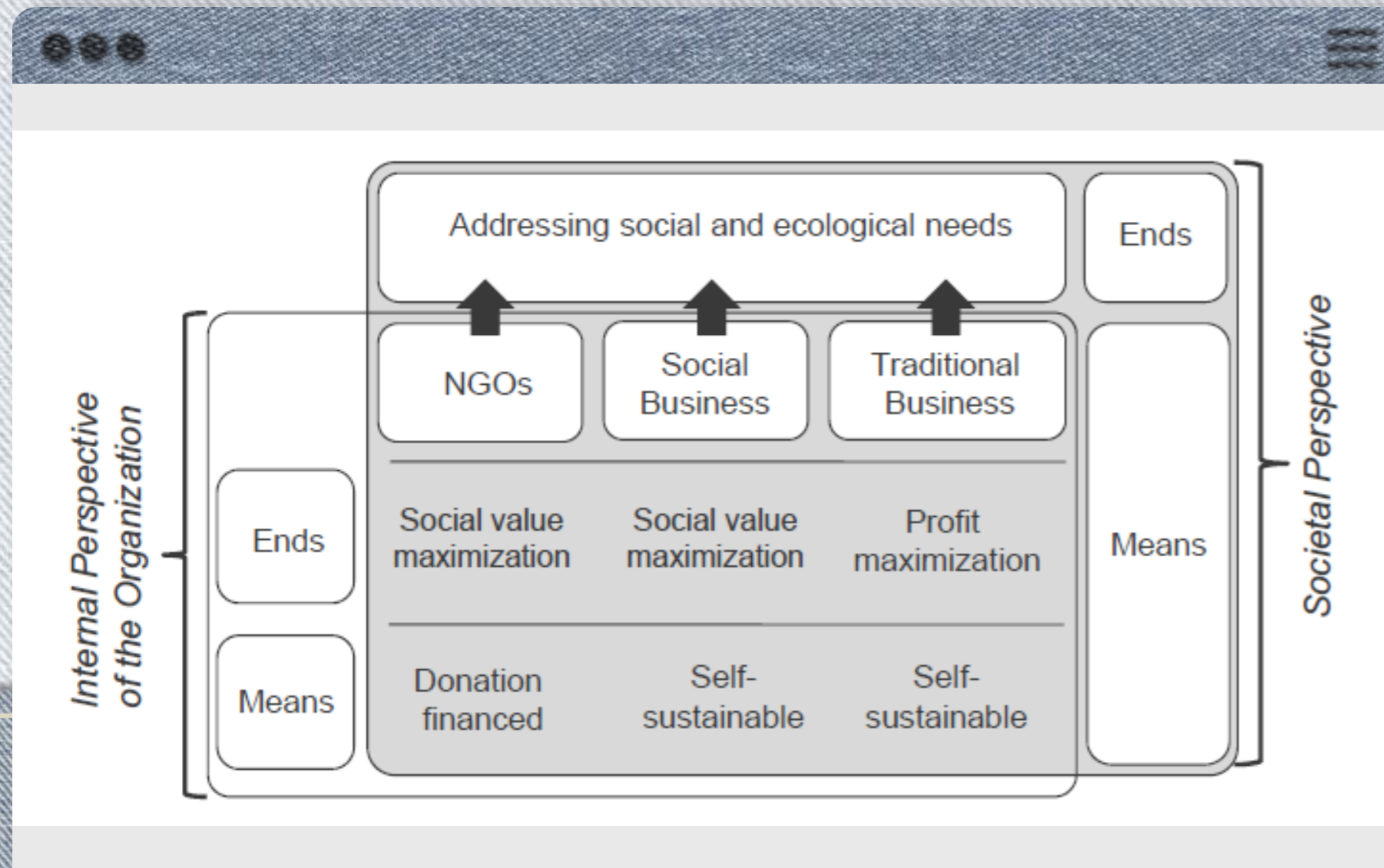


THE IMPACT OF SOLIDARITY

		<i>Temporal Dimension</i>	
		Singular Event	Continuous Challenge
<i>Social Dimension</i>	Small Group	(I) ✓ ✓ Example: Helping somebody who has the flu	(✓) (II) Example: Taking care of bedridden elderly
	Big Group	(III) (✓) Example: Disaster relief after tsunami	??? (IV) Example: Health care; education

STATIC IMPACT OF FOR-PROFIT COMPANIES VS. SE

3 POINTS AND A DESCRIPTION



- Profits are an indicator of value creation.
- Profit expectations provide a way of deciding between alternative investments and strategies.
- Profits show investors the areas with the largest potential for value creation and thus direct rare resources into a more valuable use

SOCIAL ENTREPRENEURSHIP IS THE BEST “TOOL”.

**HOWEVER,
IT
REMAINS A SECOND-BEST SOLUTION.**

THANK YOU FOR LISTENING!

ANY QUESTIONS?

