

## About Social Enterprise International

26<sup>th</sup> April 2019

**The headline sponsor for the 7<sup>th</sup> EMES International Research Conference is a well-established network of consultants, educators and researchers working with and through Social Enterprise International (SEi) on European, African and Asian projects. They are known for their commitment to democratic approaches to social enterprise development. The Directors and Associates of Social Enterprise International Ltd decided to reconstitute an existing company (SEi FairShares Ltd) to raise money for the EMES conference.**

The members of SEi FairShares Ltd are amongst the founders of the social enterprise movement, tracing their history back to projects in the UK from the mid-1980s to early 1990s. Over the years, they have been joined by directors from around the world (in Italy, Poland, France, China and Indonesia). All of them are leading activists, practitioners or academics who seek to work with other organisations and enterprises through Social Licence Agreements. This creates a global network of activists who develop social enterprises to change the world around us, for the better.

Managing Director, Cliff Southcombe, states:

“We have pioneered ways for people to manage and govern social enterprises by setting up models of social licensing, social auditing and entrepreneurial development (such as the [FairShares Model](#)).

We initiated the first UK social enterprise courses for teachers in 1999 (based on our co-publication with the Community Action Network (CAN) called 'Learning by Doing'). This was used to spread social enterprise through courses in Asia and Africa. We were amongst the first in the world to run accredited social enterprise courses at Hull University in 2002, and then delivered the ground breaking summer schools with Sheffield Hallam University (2009 - 2014) where participants decided to form the [FairShares Association](#).

We have developed and supported innovations, pioneering new decision-making and development processes (e.g. Barrowcliff Model, Shared Growth, Social Enterprise Planning, OPERA) and are now active in applied research projects (funded by Erasmus+ and Horizon 20/20). Our Directors have published (award winning) academic papers and one of the world's leading textbooks ('Understanding Social Enterprise: Theory and Practice') was co-authored by our Director Professor Rory Ridley-Duff (working with Dr Mike Bull).

We have not let up. If anything, we are doing more, changing more, harnessing the skills and energy of more and more people and bringing social enterprise to new countries.”

Two of their current projects (<https://sei.coop/fairshares> and <https://sei.coop/education>) have attracted the attention of co-operatives and divisions of global corporations committed to sustainable development (Philips, Rabobank, Ocean Spray, Yingi Solar, Mercedes SMART). They are now finalising sponsorship arrangements for a three-year social enterprise tour to raise the profile of SE, with a specific focus on the application of the [FairShares Model](#) to sustainable social enterprise development.

Find out more at <https://sei.coop>.

## Social Enterprise International – Definitional Debate

**Our headline sponsor SEi is a well-established network of consultants, educators and researchers work on European, African and Asian projects.**

SEi's connection to African and Asian social enterprise networks influenced their debate in 2011 on a working definition for international social enterprise work. It was Asian members who argued the European model is limited because it tends to treat surpluses as a restricted fund. As a result, SEi publishes the following working definition of SE on their website (<https://sei.coop>).

Social Enterprise International has worked to develop and promote social enterprise for 25 years in over 40 different countries. In order to continue our work with partners around the world we need a working definition that is meaningful, relevant and robust. Our current definition was compiled at the end of 2011 following a documented debate with our members and supporters in 14 different countries. It was updated again at the end of March 2014 to fully align with the FairShares Model and in 2019 to reflect the latest developments in social enterprise theory.

Social enterprise (as a verb) describes informal and formal processes of creating organisations that pursue social change through trading. In most countries, they also consciously organise their business activities and management processes to ensure that power and wealth is shared equitably. Social enterprises (as a noun) secure social change through their trading activities with public sector clients, joint ventures with other social solidarity enterprises or by trading goods/services in open markets.

We create social enterprises that are radically different from private sector businesses. Whilst they aim to generate sustainable sources of income, they measure their success through:

- **Specifying their purpose(s) and evaluating the impact(s) of their trading activities;**
- **Conducting ethical reviews of their product/service choices and production/consumption practices;**
- **Promoting socialised and democratic ownership, governance and management.**

Different social enterprises may focus on one or two of these principles, but we expect all ventures that claim to be a social enterprise to be able to state and justify their policies on each of the above.

Our social enterprise practice is to encourage members to set their own criteria for measuring six forms of wealth creation and establishing governance processes that members can use to evaluate the results. In doing so, they will seek the active participation of their primary stakeholders. Further external assessments come from democratic involvement by other social enterprises and partner organisations using social auditing and accounting techniques.

“Not for Profit” is a misleading criterion. It is good practice for social enterprises to provide incentives to workers and social/community investors by sharing the wealth that is created with them (so long as any distribution of profits or payments to individuals is consistent with their value statement and/or social objectives). Sole traders and social activists may engage in social enterprise. We believe their business activities are best described as “socially entrepreneurial ventures” until such a time as they represent an instituted set of activities involving a stable group of people. We acknowledge that there is also a wider definition of social entrepreneurship that includes individuals working to reform the private and public sectors.

We summarise our international definition of social enterprise as:

**A process of creating enterprises that prioritise their social purpose(s), operate ethically and promote democratic ownership and governance by primary stakeholders.**

You can find out more at <https://sei.coop/definition>.