Social Enterprise and Investment in Health: IOM Workshop

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What is a social enterprise?

Social Enterprise Alliance:

- Social enterprises are businesses whose primary purpose is the common good. They use the methods and disciplines of business and the power of the marketplace to advance their social, environmental and human justice agendas.

- Three characteristics distinguish a social enterprise from other types of businesses, nonprofits and government agencies:
  - **It directly addresses an intractable social need and serves the common good**, either through its products and services or through the number of disadvantaged people it employs.
  - **Its commercial activity is a strong revenue driver**, whether a significant earned income stream within a nonprofit’s mixed revenue portfolio, or a for profit enterprise.
  - **The common good is its primary purpose**, literally “baked into” the organization’s DNA, and trumping all others.
What is a social enterprise? (2)

Social Enterprise UK:

- A social enterprise is a business that trades for a social and/or environmental purpose. It will have a clear sense of its ‘social mission’: which means it will know what difference it is trying to make, who it aims to help, and how it plans to do it. It will bring in most or all of its income through selling goods or services. And it will also have clear rules about what it does with its profits, reinvesting these to further the ‘social mission’.

Social Enterprise Canada:
Social entrepreneurs play the role of change agents in the social sector, by:

- Adopting a mission to create and sustain **social value** (not just private value),
- Recognizing and relentlessly pursuing **new opportunities** to serve that mission,
- Engaging in a process of **continuous innovation**, adaptation, and learning,
- Acting **boldly** without being limited by resources currently in hand, and
- Exhibiting heightened **accountability** to the constituencies served and for the outcomes created.

Greg Dees, *The Meaning of “Social Entrepreneurship”*  
October 1998
The Need for Scaling *Impact*:
From CASE@Fuqua

- Problems often *far exceed* the scope of available solutions

- Ideally, social entrepreneurs want to design solutions that have the potential to:
  - *Expand faster* than the problem
  - *Reduce the magnitude* of the problem
  - Address a *significant share of the problem*
  - Create *lasting improvements*

- Want to learn to scale with efficiency, with most bang for buck
Approaches to Scaling Impact
CASE@Fuqua’s work on scaling has focused on three main approaches:

Scaling Out
– Building/nurturing solutions that have great potential to spread innovation to multiple locations or markets
– Increasing reach or access

Scaling Deep
– Increasing impact in the existing community
– Increasing quality

Changing social “ecosystems”
– Using the experience of your venture to modify conditions and behavior to reduce the problem or make it easier to address at a system level
## Strategies for Scaling Impact: 
**HOW to spread?**

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<tr>
<th>Strategy</th>
<th>Summary</th>
<th>Considerations</th>
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| Branching     | *Growing own organization to serve more people and places*               | • Greatest potential for centralization  
• Requires the greatest investment of resources by the central organization |
| Affiliation   | *Forming alliances and partnerships to rely on others to implement your approach* | • Most flexible—can accommodate loose or tight models, branded or not          |
| Dissemination | *Spreading an idea to others through communications and education*     | • Simplest and least resource-intensive  
• Disseminating organization has little control over others’ implementation |

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Matrix of Options for Scaling Out

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<th>WHAT: Defining the Social Innovation</th>
<th>HOW: Strategies for Spreading Impact</th>
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INCREASING DEGREE OF CONTROL

© J. Gregory Dees, Beth Battle Anderson, Jane Wei-Skillern
Agenda

- Lakshmi Karan (video)
- Oscar Picazo
- Diep Vuong

Discussion:

- How can we best support scaling of impact of social enterprises that:
  - Strengthen health systems;
  - Enable nursing and midwifery enterprise; and
  - Empower women?