

A New Era of Social Enterprise? A Global Viewpoint

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ABSTRACT

The outbreak of Coronavirus across the world has fundamentally changed the way society functions. The pandemic has shifted the way a capitalist economy works for the state. The aim of this paper is to provide an overview of the ways forward and the ways in which social enterprise will be imperative in this global pandemic.

Keywords: Community, Coronavirus, Social Enterprise, Mentorship, Social Entrepreneurship, Pandemic

The Coronavirus (COVID-19) has forced politicians and policymakers to think differently regarding the way the state approaches the current global health crisis. Traditionally, a democratic government would ensure that the country's economy maintained a steady growth rate. Economists, such as Rostow (1961) have held the view that the growth of a country's economy

centers on economic prosperity that builds the country's world standing. As history has informed us, there have been certain periods when global economic downturns have occurred, most notably the Great Depression of 1929 and the Global Financial Crisis of 2007-2008. According to Danny Dorling:

Today's slowdown (a word first used in the 1890s, meaning to go forward more slowly) affected far more than our rate of population growth. It affects almost every aspect of our lives. Our current slowdown represents a huge challenge to the expectation of acceleration, and a step into the unknown (2020, p. 1).

Moreover, the current Coronavirus pandemic has had wide implications for the global economy, and, back in April 2020, it was suggested that "Britain will suffer its deepest recession for 300 years if the Coronavirus lockdown continues into the summer" (Rayner, 2020, p. 1). Hence, the current Coronavirus scenario has demanded a re-think of how key societal functions should work. Social enterprise is a key player in societal changes; when examining social enterprise at a global level, Bidet and Defourny (2019) state:

Many social enterprises have their roots in a transformation of traditional solidarity patterns that results in a general tendency to externalise social services outside the familial sphere and/or to reduce the scope of public solidarity (especially in former or reformed Communist countries). Examples show that the social mission of social enterprises is quite systematically related to one or more of the following fields and challenges: work integration of disadvantaged groups, provision of social services and community development (p. 358).

In this brief paper, the authors provide a viewpoint on the possible ways forward for social enterprise in the current global health crisis. Part one of this paper comprises a brief discussion of the methodology that the authors applied for this research. Then, in part two, the authors offer a critical discussion on the great importance of social enterprise in a social economy context. In part three, the authors explore new strategies for social enterprise, which place particular emphasis upon coaching and mentorship. Finally, the paper concludes with some suggested areas for development.

RESEARCH APPROACH

The research project upon which this paper draws is supported the UK India Education Research Initiative (UKIERI). For more information on this research, please see the Annual Report 2018-2019 (British Council, 2019, p. 15). At the start of the funded project, the authors undertook an extensive literature review, aided by examining the work of Hart (2001) on how to conduct a literature review, and using the digital research tool, Summon. After the literature review was completed, a qualitative research design phase was undertaken. There were three data collection methods applied: documentary data sources, a series of focus group meetings, and semi-structured interviews. The recruitment of participants for this research project involved gatekeepers in the social enterprise sector. In this paper, the authors present some of the findings from their focus groups that were held in the summer of 2018, in which there were 16 participants in total. The research process adhered to strict ethical guidelines throughout. After the data collection was completed, the authors of the research implemented a thematic analysis strategy for all of the data that was collected (Guest, et al., 2012). The work that is presented in this paper builds on previous published articles by the authors (please see: Oberoi, et al., 2020; 2019; 2018).

THE IMPORTANCE OF SOCIAL ENTERPRISE

Theoretically, the social enterprise concept can be understood as a tool for building bridges between distinct components of the third sector. A social enterprise is a business that has both social and commercial goals, where surpluses are principally reinvested for the purpose of the community, rather than being driven by the maximization of profit for shareholders. For a long time, the established paradigm has been that social enterprise is an adjunct to a corporate mission, where well-meaning companies have organized volunteer brigades, donated to charities or practiced as Corporate Social Responsibility (CSR). Social enterprise is more proactive in its approach to social change, while CSR is reactive and post facto. Conventionally, businesses took a silo approach to social impact. But today, cutting-edge corporations are viewing philanthropic efforts through the lens of Total Societal Impact (TSI). To accelerate social impact and understand its benefits, company leaders should mull over new approaches to linking companies and communities.

There is growing consensus that investing in social impact is good for business. Stakeholders are supporting companies to become more engaged in social initiatives, and as more global challenges unfold, corporates have to have both a moral and an economic imperative to do good and leverage core companies to create the maximum impact. No doubt, we are living in a world of tremendous economic growth and technological revolution, but are also lots of concerns about equality, sustainability, diversity, inclusion, fairness, and equity. It is estimated that it will take up to \$7 trillion to meet the UN's Sustainable Development Goals – but at present the United Nations anticipates a shortfall of nearly \$3 trillion. The public sector cannot close this gap single-handedly, so the private sector has to step up to tackle these problems. The UN believes that by addressing the SDGs, we can unlock about \$12 trillion of new market opportunity, product opportunities, and service opportunities to activate (United Nations, 2014).

Social enterprises are crucial catalysts for social change. They have become key players in bringing much needed transformation to people, communities, and the world at large. In the last decade, studies on social enterprises have suggested that governments and other agencies seeking to tackle complex, difficult and long-standing problems should place social enterprises at the heart of their strategies. In this research project, participants were probed on the definition and impact that social enterprise has on a local community. One of the participants who was involved in this research offered a succinct definition:

Social enterprise and Social Action, actually looking at how regeneration can be used as a way of empowering local people, local communities, to do things for themselves [...] we're very much around developing that asset based approach. The same thing, different titles, but working with people on the ground, helping them realise their potential and whether they go and set up their own community initiative, Social enterprise or find employment, for us it's still a valuable outcome (Focus Group, Participant 3, 2018).

Social enterprise is a key asset to a local community as an organization that pursues business principles to address social or environmental need through a product, service, process, or distribution of profit. The journey social enterprises attempt to embark upon is an attempt to fulfil social needs efficiently and sustainably through market-based models and they are frequently at the forefront of social innovation. They help local economies, serve the underserved, provide employment to the

disadvantaged and fill gaps in services. It can be said that social enterprise as a concept aims to shed light on particular dynamics of both traditional non-profit organizations and cooperatives, namely collective entrepreneurial dynamics focused on social aims (Borzaga & Defourny, 2001).

The frequently used definition of social enterprises comes from the European Research Network of Social Economy (EMES):

Social enterprises are non-profit private organizations dealing with producing of goods and rendering of services, which is directly linked with their clear objective that the community should benefit from their activity. They rely on collective dynamics, while involving different types of stakeholders into their management bodies; they highly value their autonomy and take the economic risk associated with their activities (Defourny & Nyssens, 2008, p. 5).

The main characteristics of social enterprise shape governance models that improve the partaking of stakeholders in democratic manner to a large degree, thus contributing to the espousal of considered decisions for the public through a participatory mechanism.

The continued expansion and resulting appreciation of social enterprises is a broad process that cuts across various countries. Where social enterprise and social impact workers have been conscious of systemic inequalities that have existed for decades, the emergence of the current coronavirus crisis has made these further obvious for the rest of the world.

The COVID-19 pandemic has hit harder the people at the bottom of the pyramid, which has exposed how health crises, food shortages, job insecurity, etc. impacts the vulnerable more severely. It is becoming increasingly clear that social enterprise and social impact entrepreneurs and companies are needed urgently in this space. Targeted support for social enterprises during the current crisis is therefore critical.

MENTORING SOCIAL ENTERPRISE IN HIGHER EDUCATION

Mentoring is complex; it is a term that is used interchangeably and inconsistently within practice, across different disciplines, and within published studies exploring the notion of mentoring. As such, it is beyond the scope of this paper to explore in depth the origins and development of mentoring. However, the authors of this paper have adopted a widely accepted definition: “an intervention that supports those individuals with

less experience within any given context in their personal, social and professional development” (Snowden & Halsall, 2017, p. 297). Mentoring is characterised as a process that:

...enables the mentee to access the inside knowledge that the mentor has developed over their life course; distinctly, the mentor is able to translate reality, and help the mentee inhabit their own patterns of reasoning, insight and the application of knowledge and skill (Snowden, 2019, p. 123).

Clearly, as Snowden and Hardy assert, “mentoring enables the mentee “to make best use of the resources available by accessing the ‘inside knowledge’ that the mentor possesses” (2012, p. 90). Mentoring, as a strategy to promote success, is acknowledged in a variety of different contexts; for example, business, medicine, nursing, dentistry, law, and education all recognize the importance that the mentoring role has on personal development and the development of practice (McSherry & Snowden, 2019). Furthermore, the importance of the mentor in the development of social enterprise and the personal development of social entrepreneurs is emphasized by organizations such as Social Enterprise UK, The British Council and the School for Social Entrepreneurs. However, as Thomaz and Catalão-Lopes (2019) assert despite the perceived benefits of mentoring its application within social enterprise has largely been neglected.

Nonetheless, as part of the UKERI initiative the authors of this paper have developed an approach to mentoring that can be applied within social enterprise. During the study we identified that mentoring in the context of social enterprise is: a transformative experience that promotes reality, engagement and contributes significantly to success. It was described by a participant within the focus group interview as providing “a helping hand”, as “sharing a journey” and “gaining the inside track of knowledge and experience” (Focus Group, Participant 2, 2018). These sentiments were also reflected by participants in a focus group of current social entrepreneurs, who suggested that mentors could be:

Encouraging, getting the students to communicate more, getting them involved with the various projects that are going on in the area” (Focus Group, Participant 4, 2018). Importantly that mentors would be able to promote “...a better feel about the students...a bit more sort of crossover and understanding and involvement in both directions...” (Focus Group, Participant 4, 2018).

Heutagogy emphasizes a self-determined learning approach (Snowden & Halsall 2016) that involves an expansion and re-interpretation of anagogical principles, where emphasis is on learning how to learn and how to achieve in the real world; it is a non-linear process and promotes autonomy where all learning opportunities and contexts are utilized. Adopting this approach as part of the mentoring process enables the development of the mentee's role as the architect of learning, where learning and developmental need are arranged around activities and opportunities that are context specific. In this way, the mentee, enabled by the mentors, creates their own pattern of ideas and experiences relevant to their own setting, needs and aspirations. Simply put, the mentee is enabled to develop knowledge, skills and their role within the enterprise setting.

Fundamental to this approach to learning is the encouragement of a solution focused approach – where resolution strategies are solution-focused rather than problem-focused – and the term indicates where we look: forwards, towards solutions, rather than backwards, by studying solutions rather than dwelling on problems. Adopting this tripartite approach of mentoring, heutagogy and solution focused learning promotes a transformative learning experience that enables cognitive, affective and skills competence. Mentoring within the social enterprise context promotes a 'real world approach' that focusses upon strengths, abilities, hopes and thinking of possibilities that are creative and sustainable. A mentor in social enterprise certainly has a major developmental role to play and, consequently, must be someone who is able to cultivate a resilient solution seeker with the ability to work with uncertainty and who is able to focus on finding solutions. It is essential, therefore, that the mentor has knowledge and experiences that include real examples of successes and failures. Mentoring is a key to successful social enterprise and the authors of this short paper urge further study, especially in terms of impact and evaluation.

CONCLUSION

This paper has been concerned with the importance of social enterprise in the COVID-19 outbreak. The paper began by providing a Geopolitical viewpoint on the current global situation and argues that social enterprise plays a vital role in communities that have suffered during the current pandemic. From recent research undertaken on social enterprise, the concept overall empowers communities and brings different agencies together. Social enterprise and social impact entrepreneurs are needed most urgently,

as they can come up with realistic social solutions for dealing with the COVID-19 pandemic. Moreover, the people who run social enterprise organizations have the power to reach out to different networks and have the opportunity to engage with mentoring, which can bring about positive solutions during a difficult time. In this paper, we recommend:

- Encouraging more joined up thinking with different sectors regarding the importance of social enterprise. This would allow different sectors to understanding the social impact social enterprise has and how different organizations can work more closely together.
- More emphasis on the theoretical understanding of crisis management. This could be achieved by observing how organizations in different sectors have coped during the COVID-19 pandemic and provide a narrative on the processes they have been through. This would be useful for wider society.
- Urging organizations to champion and showcase the benefits of mentoring in different sectors more, as well as highlighting the advantages it brings within different local, regional, national and global networks. These actions would allow different stakeholders to understand the complexities of mentoring in more detail.

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