

SOWK 5114

Social Innovation and Innovative Practice for Social Work (社會工作的社會創新與創新實踐)

Lecture 2: Social Enterprise and Social Entrepreneurship



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Case 1: An Social Innovation Project in Hong Kong:

C.O.M.E (Time coupon Project by St. James Settlement

社區「時分券」計劃

<https://www.youtube.com/watch?v=DGI1WCryEoQ>


聖雅各福群會 社區經濟互助計劃

- ▶ 透過時分卷的建立, 令居民及小商鋪, 可以重新組成大大小小的社區網絡。
- ▶ 增加區內居民的信任, 關懷及溝通,
- ▶ 在互助的原則下重建區內的社會資本。
- ▶ 提倡較平等的勞動, 肯定參與者尊嚴,
- ▶ 實踐人盡其才、物盡其用、各取所需, 達致社區共享的目標。

以時分卷為交換媒介

- ▶ 傳統的經濟活動使用的交易媒介是金錢，但這計劃所使用的交易媒介是**以時間為單位**的時分卷。
- ▶ 會員以時間為基礎上交換大家的服務，自然亦可以利用自己的服務交換生活上的必需品, 一手及二手貨物, 以至教育及娛樂等等。

以時分卷為交換媒介

- ▶ 一小時的勞動相當於60時分的收入，可由雙方議價，但最少必須是60時分，最多是240時分，（在現實的交換中，絕大部分以一小時60時分為準則）
 - ▶ 可因應提供貨品及服務的必需成本收取現金（如當家務助理及補習可收回交通費用，但不能全數以現金交換）
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時分卷

時分卷










進行貨品或服務交換

- ▶ 參加計劃的人皆可以在定期出版的“時分報”上刊登小廣告(用時分卷)，列明自己可以提供的服務；
- ▶ 服務的範圍無限，由代煲靚湯，帶小朋友上課下課，陪伴病人到醫院求診，到家居維修，補習及中醫應診，理髮，以至法律意見等專業服務。

時分報

社區經濟廣告頁

我徵求	新登廣告	 <p>【徵求】 徵求... 電話：...</p>	護理及服務	 <p>【徵求】 徵求... 電話：...</p>	松藝工作人員
宿屋	 <p>【徵求】 徵求... 電話：...</p>	 <p>【徵求】 徵求... 電話：...</p>	 <p>【徵求】 徵求... 電話：...</p>	 <p>【徵求】 徵求... 電話：...</p>	<p>*****</p> <p>1. 安城工作人員</p> <ul style="list-style-type: none"> ※ 謝漢丹 瑛珊 ※ 陳培 ※ 楊培忠 ※ 黃偉 ※ 鄧會昌 曾如 ※ 樓景站 <p>*****</p> <p>2. 松公園工作人員</p> <ul style="list-style-type: none"> ※ 杜守 ※ 陳成 ※ 陳樹基
興趣 / 教學	 <p>【徵求】 徵求... 電話：...</p>	 <p>【徵求】 徵求... 電話：...</p>	 <p>【徵求】 徵求... 電話：...</p>	 <p>【徵求】 徵求... 電話：...</p>	
其他	其他	 <p>【徵求】 徵求... 電話：...</p>	 <p>【徵求】 徵求... 電話：...</p>	 <p>【徵求】 徵求... 電話：...</p>	

來墟

- ▶ 每月舉辦活動交易日(來墟)
- ▶ 會員可以即場消費，亦可以即場尋找工作。
- ▶ 交易項目活動花樣多元化，具社區節日氣氛，可同時進行文化活動及二手物品交換

充權：自尊自強意識的建立

- ▶ 在質性研究中我們更能觀察到計劃能促進互助互惠、循環再用的新文化價值的建立。
- ▶ 會員表示在時分券的協助下，人的才能和價值獲得認同，不僅是那些幫助他人的參與者，還包括那些獲得幫忙的。
- ▶ 相對於作為傳統福利措施下的被動受助者，他們較喜歡從計劃體系獲取服務和物品，覺得在這體系裡更有自尊和自強。

希望可以做點貢獻

- ▶ 「我是說這個計劃舒服些…時分卷計劃是自己靠自己的勞力去賺嘛！」（中年男性會員）
- ▶ 「一是自己不是殘廢…二是我覺得有些人去睇我，我很介意他人如何去睇我…如果我自己是無能力的，系自己個身體唔健全的，真系冇能力的話，咁都有辦法啦。但系我依家仲有手有腳，自己也很年輕，也是希望可以做點貢獻」（中年女性，綜援領取戶）

有交流，無施捨

- ▶ 「(時分券)個好處就系迫你會有個交換個概念。要我思考如何賺你既時分或賺你比我的東西。第一，令我們(參加者)有交流啦…第二就唔免費得來的，沒有施捨的心態，我覺得這樣是最好。
- ▶ 例如你話捐贈舊衣物，是免費的我就反而不喜歡。即是大家有交流最重要。施、受都會好些。因為我賺你時分我系肯定到自己有咁既能力，我會更加覺得開心，唔會話你只是給我時」(年青男性，失業人士)

可揀一份自己開心的工作

- ▶ 「當然是自力更生好些，你自己勞力得回來的，無理由政府就這樣派給你嘛…消費與食都覺得安慰些…自己賺回來的，特別系自己做服務個時，賺到時分回來給自己消費…」(中年男性，綜援人士)
- ▶ 「我要做義工的話，若我應承了，我真的不知如何去拒絕…到時唔去又唔系…但系時分券我有權自己去選擇…我自己想做邊一份既工作…又跟我時間配合…適合我自己，符合我自己經濟原則。我自己能力又做得到的，就可以揀一份我自己開心的工作。」(年青男性，在業人士)

體現另類價值（如平等）

- ▶ 會員堅持交換制度一定要使用時分券作為主要交換媒介，因為
- ▶ 「因為時分券就系大家團體的互助。如果你用錢呢，你會太過斤斤計較，就失互助的意義。」（年青男性，失業人士）
- ▶ 「你肯願意賺時分的話，你就好容易會賺到。外面真的是好難找到工做。但若真的只收現金，計劃就沒有的意義。因為你賺了現金又可以在出面消費，現金會流失。但是你收時分券，未必系系出面用得到家嘛，同埋你要看外面的工資系好唔公平。」（中年女性，家庭主婦）



End of CASE 1

Lecture 2: Outline

- ▶ **Social Enterprise: the organization for social impact**
 - ▶ Development of Social Enterprise in overseas
 - ▶ Development of Social Enterprise in Hong Kong
- ▶ **Social Entrepreneur: the individual create social change**
 - ▶ Qualities of a Social Entrepreneur
 - ▶ Historical Perspective on Social Entrepreneurship
 - ▶ Differences and Similarities with Other Sectors
 - ▶ Social Entrepreneurs and Citizen Democracies
- ▶ **Social Entrepreneurship: the spirit that lead the individual and the organization for good**
 - ▶ Determinants: Social, Political, Cultural, Gender
 - ▶ Drives: Creativity & Emotions
- ▶ **Social Entrepreneurship and Social Work Practice**
 - ▶ Hybrid of macro social work practice and business skills and activities
 - ▶ Recognizing opportunities, assess risks according to the scale of change
 - ▶ Creating social value and meet social needs in a sustainable way



Development of Social Enterprise in Overseas



Social Enterprise in USA

- ▶ Social enterprise first developed in the 1970s to define business activities nonprofits were starting as a way to **create job opportunities for disadvantaged groups**.
- ▶ Responding to a downturn in the economy in the late 1970s, the 1980s brought welfare retrenchment and large cutbacks in federal funding, expansion of social enterprise as a defined concept in the U.S. began when nonprofits experienced **cutbacks in government funding**.
- ▶ **Salamon (1993)**, “Between 1977 and 1989, nearly **40 percent of the growth** of social service organization income... came from fees and other commercial sources”
- ▶ SE as a way to finance the provision of NPOs’ services already in place




Social Enterprise in Europe

- ▶ SE in Europe emerged somewhat later than in the United States and was focused on the **simultaneous development of services** and **diversification of revenue generation in the third sector**.
- ▶ Many countries in the European Union experienced a rise in unemployment through the 1980s and 1990s.
- ▶ Budgetary constraints were the main cause but the crisis was also in terms of their effectiveness and legitimacy in the area of unemployment, which was proved ineffective (Borzaga & Defourny, 2001).
- ▶ Decentralization, privatization, and a reduction in social services. Social service needs arose for which there were no adequate public policy schemes.



Social Enterprise in Europe

- ▶ New social enterprises in the third sector began responding to emerging needs including solutions for housing problems, childcare services to meet new needs resulting from socio-economic changes, new services for the elderly given the rapid aging of the population and changes in family structures, urban regeneration initiatives, employment programs for the long-term unemployed
 - ▶ Most of these pioneering social enterprises in Europe were founded in the 1980s by civil society actors: social workers, associative militants, and representatives of more traditional third sector organizations, sometimes with the excluded workers themselves.
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Social Enterprise (Europe vs. USA)

- ▶ Kinds of services supported by social enterprise are fewer in Europe (when compared to the wide range supported by social enterprise activity in the United States) because European social enterprises tended to address those particular areas the welfare state had retreated from or had not been able to meet demand for
- ▶ Naturally, the extent that social enterprises fill particular service needs varies depending on the welfare state and circumstances in each European country



What is Social Enterprise?



Social Enterprise 101 https://www.youtube.com/watch?v=9_g5RqwVW5II

Development of Social Enterprise in Hong Kong



No Legal Framework for SE in HK

- ▶ Social enterprise (SE) can be set up in any kind of legal forms such as tax-exempted charitable organization, private company, society, or as a 'unit' administrated by any institutions.
 - ▶ Home Affairs Bureau (HAB) is the policy bureau in charge of social enterprise-related policies, which follow the U.K. definition in defining SE: **a business that emphasizes specific social objectives. Its profit will be principally reinvested in the business for the social purposes it pursues rather than distributed to its shareholders (HAB, 2020).**
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Board definition of SE in HK

- ▶ All kinds of organizations, can claim themselves as ‘social enterprises’ given their social missions are ensured and maximization of profit-sharing is restricted. There are no specific criteria in defining what are social missions and what are social objectives.
 - ▶ According to the figures of the Hong Kong Council of Social Service (HKCSS, 2020), **666** social enterprise units were undertaken by **326** organizations in 2020, of which **44%** of those organizations were **tax-exempted**
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Number of Social Enterprise in HK

Year	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20
No. of social enterprise projects	269	320	329	368	406	457	527	574	610	654	651	666
Growth (%)	+21.2	+18.6	+2.8	+11.9	+10.3	+12.6	+15.3	+8.9	+6.3	+7.2	-0.46	+2.0
No. of organizations operating SE projects	103	99	116	124	150	190	221	238	262	301	311	326
Organizations with tax exemption (No. and percentage)	87 (84.5%)	84 (84.8%)	100 (86.2%)	95 (76.6%)	105 (70.0%)	125 (65.8%)	137 (62.0%)	142 (59.7%)	139 (53.1%)	147 (48.8%)	137 (44.1%)	145 (44.0%)
Organizations without tax exemption status(No. and	16 (15.5%)	15 (15.2%)	16 (13.8%)	29 (23.4%)	45 (30.0%)	65 (34.2%)	84 (38.0%)	96 (40.3%)	123 (46.9%)	154 (51.2%)	174 (55.9%)	181 (55.0%)

Growth of SE in HK

- ▶ The number of social enterprise units has almost tripled in the past decade, demonstrating a considerable development of the social enterprise sector.
- ▶ Soaring participation of non-tax exempted organizations (15.5% in 2008/09 and 55.5% in 2019/20), representing a growing and substantial influence of private companies in the field.
- ▶ It is noteworthy that S.E. Directory is based on a self-reported mechanism; therefore, some social enterprises might not be counted in this annual exercise, especially those in the prototyping stage.



Development of Social Enterprise (2006-2010)

Inflow of Government Funding, Business skills



Initial growth of SE in late 1990s

- ▶ Social enterprises emerged in Hong Kong in the 1990s within civil society. Their number started to increase in the late 1990s; they entered public discourse then, and expanded most noticeably in the 2000s. The growth of social enterprises parallels the general decline of the economy that started in 1997 (Chan, Kuan, Wang, 2011)
- ▶ At the beginning of the 2000s, in response to the economic distress and increase in unemployment figures, the Hong Kong government began to introduce various funding schemes, with a view to encouraging the establishment of social enterprises.



Start of Lump Sum Grant in 2001

- ▶ The nature and target of the funding schemes became more diversified in the mid-2000s. The rationale behind these funding schemes was a desire to make government subsidies more than simple expenditure – a sort of “investment in the community”, for which productive transformation could be anticipated in return.
- ▶ Many NPOs in Hong Kong apply for the governmental funding schemes providing seed money to set up social enterprises and the number of social enterprises has been constantly growing in the last decade



Supported employment services of rehabilitation sector

- ▶ The concept 'supported employment' was introduced to the rehabilitation sector in order to increase the employability of people with disabilities (PWDs)
 - ▶ Endorsed by the government in 1995, integrated employment support services for the PWDs were provided by NGO operators, including job finding, matching and coaching, and employment-related skills training. Some prototype forms of social enterprise have then been established, such as the New Life Psychiatric Rehabilitation Association and Mental Health Association of Hong Kong
 - ▶ NGOs had attempted to test out the social enterprise model even before the government launched the first social enterprise public grant – **Enhancing Employment of People with Disabilities through Small Enterprise** (the **3E scheme** 創業展才能) in 2001.
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Social Economy / Community Economic Development

- ▶ In the early 1990s, some social economy initiatives have been tried out by labor groups and community organizations (Chan, 2006:485), as a community response to economic restructuring and the government's pro-liberal policies. The social economy projects offer self-employed opportunities and enhance social bonding among members. For instance, a Community-Oriented Mutual Economic (i.e., time voucher) was formed by St. James Settlement in 2001; a second-hand products trading platform was set up by the Industrial Relations Institute in the same year
 - ▶ The social economy model has not become mainstream in the social enterprise discourses, probably due to the lack of designated resources for this particular model and the legal constraints to formulate appropriate organizational structure
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Early-stage (early to mid-2000) - poverty alleviation and job creation

- ▶ Workfare programs were first introduced after the Asian Financial Crisis as the 'self-reliance scheme' (SES).
- ▶ 'Work Integration Social Enterprise' (WISE) model has then set up to offer a quasi-market working environment for the disadvantaged groups, which serves as a springboard to the open job market.
- ▶ The 3E scheme gave birth to a number of NGO-run WISEs in the early stage of social enterprise development.
- ▶ As of 2017, 111 projects have been approved by the scheme; many of them are still playing active roles in the social enterprise sector.



Poverty Alleviation

- ▶ In 2003, the **Commission on Poverty (CoP)** put ‘social enterprise’ as a key agenda
 - ▶ In 2005, emphasized that ‘helping the “able-bodied unemployed” to move from welfare to self-reliance should be the focus of further work’ (COP, 2005).
 - ▶ Social enterprise has then been officially taken as a policy tool to alleviate poverty and unemployment. With the launch of another public social enterprise grant, the ‘**Enhancing Self-Reliance through District Partnership Program**’ (ESR 伙伴倡自強) in 2006, the WISE model has further extended to other beneficiary groups other than only PWDs.
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Workfare policies

- ▶ The workfare policies entailed the government's **neo-liberal logic in welfare provision** and manifested in the welfare reform implemented in early 2000.
- ▶ NGOs were required to enhance accountability and effective use of resources through a new '**lump sum grant**' **subvention** system. A competitive bidding system was introduced to engage NGOs in service contract bidding (Chiu et al., 2010; Sawada, 2004).
- ▶ Aim to provide more flexibility would be allowed for NGOs to deploy resources in meeting new service needs and form partnerships with the private sector.
- ▶ The environment urged the NGOs to diversify revenue resources; social enterprise serves a dual purpose to generate new financial resources and attain social mission for the operating organizations.



Business joining

- ▶ Primary focuses on the **operation model** and integration of social and business objectives by the NGOs. Owing to the workfare policy background, **most social enterprise practitioners come from social welfare organizations who are believed to be weak in business sense.**
 - ▶ The government even directly offered capacity-building support to these practitioners; for instance, a 'Marketing and Consultancy Office (MCO)' has been set up under the Social Welfare Department to provide business advice and corporate matching services for the grantees of the 3E scheme. SWD also set up the **Partnership Fund for the Disadvantaged (PFD 攜手扶弱基金)** in 2005 with matching fund with business donation to help the disadvantaged..
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Civil Society Organizations Efforts

- ▶ **Community efforts** should not be neglected. For example, **St. James Settlement** organized the first social enterprise seminar in 2006 to share the U.K. social enterprise experience (St. James Settlement, 2007)
- ▶ **HKCSS** submitted a policy paper to persuade the government and COP members to adopt social enterprises as a means of poverty alleviation.
- ▶ A **Social Enterprise Resources Centre (SERC)** has been set up by the Council and conducted the first social enterprise landscape study in 2006.



Growing stage (mid-2000 to mid-2010)

- ▶ The period between mid-2000 and mid-2010 earmarked an expeditious growth of the social entrepreneurship field. Social enterprise has become a **long-term government policy agenda** instead of a short-term initiative.
- ▶ In 2010, a **Social Enterprise Advisory Committee (SEAC)** was formed under the **Home Affairs Bureau** as a high-level committee steering the policy direction of social enterprise development.



Accelerated Growth after mid-2000s

- ▶ Blessed by policy support and the new ESR grant, the WISE model has further been promoted, and more NGOs from the non-rehabilitation sector participate in the sector.
- ▶ The idea of ‘social entrepreneurship’ has started to prevail since 2007, by which the ‘change-making’ process and the leadership of social entrepreneurs were specially highlighted.
- ▶ The financial crises and SARS have urged more corporate leaders to reflect on their social responsibilities and corporate values.



Rise of Social Innovation Discourse

- ▶ In 2004, a group of young business leaders established the 30s Group that actively engaged in various social initiatives; Francis Ngai, a founding member of the group, later formed the **Social Ventures Hong Kong (SVHK)** in 2007 as the first investment-driven social enterprise intermediary in H.K. **Dialogue in the Dark Hong Kong** is the first investment project of SVHK.
 - ▶ Since the late 2000s, we find a number of business leaders engaging in the sector and steering various new movements, such as the **Hong Kong Social Entrepreneurship Forum** (since 2008), **Fullness Social Enterprise Society** (since 2011), and **the Good Lab** (since 2012).
 - ▶ Influenced by the **Social Innovation School's** discourses of 'everyone a change-maker,' successful stories of social entrepreneurs were underscored in this period. Founders of some famous social enterprises such as Doris Leung of **Diamond Cab**, Ricky Yu of **Light-be**, David Yeung of **Green Monday** were frequently quoted as local examples exhibiting the essence of 'social entrepreneurship' and 'change-making'
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SE of different objectives

- ▶ **Work Integration and Poverty Alleviation**
- ▶ **Social Innovation and Problem Solving**
- ▶ **Preferred Operators in Specific Policy Fields:**
 - ▶ **heritage conservation**
 - ▶ **environmental protection**
- ▶ **Social Capital and Community Building**



Value Creation Process of SE

- ▶ The vast majority of the public sees work integration being a major function served by the SEs, but beyond the point of job creation for the disadvantaged, we do not have a good understanding of the many different ways of social values.
- ▶ In the absence of a solid understanding on how the sector's value creation process has contributed to public problem-solving and community building, it would be difficult to formulate and evaluate any policy proposal for furthering the development of the SE sector



Limited understanding on different SE

- ▶ SE sector, despite its increasing complexity and diversity, should be able to articulate and communicate the sector's shared values to the wider public in any sector-wide brand-building exercise.
- ▶ The sector has long debated the necessity and viability of coming up with a commonly agreed definition of SE. There have also been efforts within the SE sector to develop registration or accreditation systems for certifying SE.



Specific legislation for SE

- ▶ Advocates is for Government to enact legislation to facilitate the formation of new categories of SEs with innovative ownership and governance arrangements.
- ▶ Whether it is legislation to create new legal form for SE (such as Community Interest Company (CIC) in the UK or
- ▶ Revision of old legislation to facilitate the formation of new SEs (e.g. the call to revise and update the Co-operative Societies Ordinance), the argument is that formal legal identity could greatly enhance public recognition and acceptance of SEs.



Lack of Government Coordination

- ▶ There are at least **seven government funding schemes** serving different policy objectives for which SEs, given their related social missions, are potentially eligible to apply.
- ▶ Some consider that the **Government should coordinate the various funding schemes** to propel the development of SEs.
- ▶ Some suggested that the Government should **revamp or even consolidate the operation** of some of these funding schemes

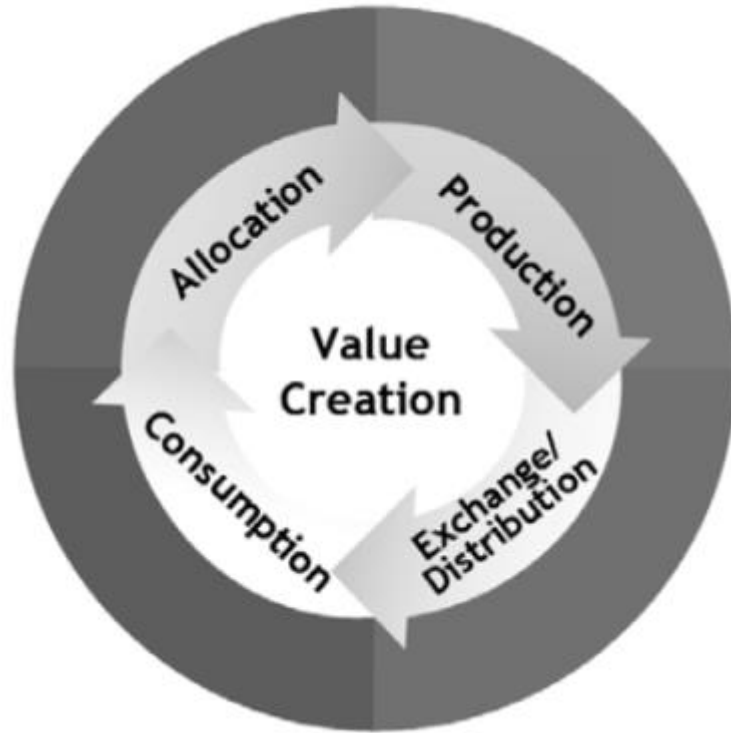


Future development

- ▶ Next generation of WISE;
- ▶ SEs addressing the bottom of pyramid (BOP) and shunned markets;
- ▶ SEs adhering to the collaborative consumption/sharing economy movement;
- ▶ SEs adhering to the broader social economy movement



Different Value Creation of SE





社企唔易做

鏗鏘集：社企唔易做 2014年10月16日 <https://www.youtube.com/watch?v=quuzx5lCylw>

Social Entrepreneur



Definition of Social Entrepreneur

- ▶ “innovative, opportunity-oriented, resourceful, value-creating change agents” (Dees, Emerson, and Economy, 2001, p.4)
 - ▶ “innovators who balance an organization’s economic and social goals”, “who value local initiative and participation” and who seek “social justice outcomes” to “guide the mission and evaluation of social entrepreneurial activity” (Gray, Healy, & Crofts, 2003. p. 148, 149)
 - ▶ “an individual, group, network, organization, or alliance of organizations that seeks sustainable, large-scale change through pattern-breaking ideas in what governments, nonprofits, and businesses do to address significant social problems” (Light, 2006, p. 50)
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Definition of Social Entrepreneur

- ▶ “social change agents” who “**create and sustain social value without being limited to resources currently in hand**” (Sharir and Lerner, 2006, p. 3).
- ▶ Skoll Foundation views social entrepreneurs as **transformational change agents** who “pioneer innovative and systemic approaches for **meeting the needs of the marginalized**—the disadvantaged and the disenfranchised—populations that lack the financial means or political clout to achieve lasting benefits on their own” (Dacin, Dacin, & Matear, 2010, p. 41).



The Heart of Social Entrepreneurship

(Bornstein & Davis, 2010)

- ▶ Bill Drayton, founder of Ashoka, learned through his travels in India that powerful examples of social change share two things in common: —**the organizations** that were making a difference had both **a good idea** and an **unusually committed, creative and action-oriented person** at the helm: an **idea champion or entrepreneur** (p. 19).
 - ▶ Social entrepreneurs are the idea champions: people who **advance change, working within, between and beyond established organizations.**
 - ▶ The social entrepreneur also **helps others discover their own power to change** by helping them envision a new possibility and recognize how it can be broken down into doable steps that build momentum for change (p. 25).
-



Qualities of a Social Entrepreneur

(Bornstein & Davis, 2010)

- ▶ To **overcome apathy, habit, incomprehension, and disbelief** while facing heated resistance (p. 21);
 - ▶ To **shift behavior, mobilize political will**, and continually improve their ideas (p. 23);
 - ▶ To **listen, recruit and persuade** (p. 24);
 - ▶ Encourage a sense of **accountability**, and a sense of **ownership** for the **change** (p. 25).
 - ▶ **Comfortable with uncertainty**
 - ▶ High need for **autonomy** (p. 26).
 - ▶ Capacity to **derive joy and celebrate small successes**.
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Most people can learn to behave like entrepreneurs

- ▶ Successful social entrepreneurship involves **well established behaviors which can be acquired**.
- ▶ While some people appear to be born with more entrepreneurial inclination than others, **most people can learn to behave like entrepreneurs** (p. 27).




school for
social
entrepreneurs



Two Social Entrepreneurs Pioneers

(Bornstein & Davis, 2010)

- ▶ **Grameen Bank** and the **Bangladesh Rural Advancement Committee (BRAC)**. Both organizations originated amidst disaster in Bangladesh.
 - ▶ **Muhammad Yunus** and **Fazle H. Abed** created and operated the Grameen Bank and BRAC, respectively, on the belief that their results would be stronger if they **broke from the pattern of paternalistic aid** and followed a new method based on **trial and error and an emphasis on results**.
 - ▶ Yunus and Abed **hired locals instead of foreigners**, with hired staff through a competitive application process instead of doling out jobs to family and friends, they refused to sanction bribery, they focused on efficiency and results, they **experimented continuously, and they viewed failures as opportunities**.
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Two Social Entrepreneurs Pioneers

(Bornstein & Davis, 2010)

- ▶ These tactics were a departure from the traditional methods of aid distribution and management.
 - ▶ The Grameen Bank and BRAC also benefited from the long-term involvement of Yunus and Abed and tens of thousands of local staff members, whereas traditional donors often only stayed on projects for a few of years before rotating out of country.
 - ▶ Both organizations saw results that were —a world apart from anything the field of international development had yet seen (p. 17). They proved that it was possible to mitigate poverty on a massive scale and helped shift the global development paradigm.
-



Difference of Social Entrepreneurship from Government

- ▶ Unlike governments, who work from the top down (離地), social entrepreneurs address problems from the **bottom up**.
 - ▶ Often begin with an **interaction with a problem on the ground level** (落地), which leads to a question that eventually grows into an organization **through trial and error**.
 - ▶ **Governments** often implement ideas before testing and adapting them as they go, and they often **lack the nuanced understanding of ground-level details** that is the key to success in social entrepreneurship.
 - ▶ **Governments** are **bound by protocol, rules and procedures**; social entrepreneurs have far more **flexibility**. A social entrepreneur has the **luxury of trying seemingly crazy ideas and getting rid of ideas that do not work**, whereas a government gets bogged down in hashing out the details prior to implementation without the chance to learn from mistakes.
-



Social Entrepreneurs and Citizen Democracies

- ▶ The work of social entrepreneurs **strengthens established and emerging democracies.**
 - ▶ Democracy, like social entrepreneurship, is an **iterative process.**
 - ▶ Citizens of democracies and social entrepreneurs build and **continually adapt institutions designed to meet society's needs.**
- ▶ In predemocratic contexts, social entrepreneurs help citizens **realize their ability to shape change**, which reinforces their power as citizens.



Social Entrepreneurs and Citizen Democracies

- ▶ Democracies flourish when large numbers of citizens acquire the capacity to shape civic life. Social entrepreneurship is a process by which citizens organize to do just (p. 41).
- ▶ As the field social entrepreneurship continues to expand, it may help **redefine the concept of citizenship**, creating a world of citizens who are actively involved in creating and shaping their countries' institutions.



Determinants of Social Entrepreneurship



Socio-political Influences

- ▶ the role of political structures in defining the attractiveness of participating in entrepreneurial activities. Here, **government mechanisms regulate the action of individual** and **define the social norms** .
 - ▶ Social norms have a significant role in **new firm creation**, and that decentralized institutions that are socially determined, as well as more centralized ones developed by government, are critical to venture development. (Meek et al., 2010)
-



Socio-political Influences

- ▶ Governmental support offered by cities **promoted such social entrepreneurship within communities** (Sullivan, 2007) .
- ▶ Emerging firms can develop legitimacy by employing strategies such as organizing **collective marketing and lobbying efforts** (Aldrich and Fiol, 1994).
- ▶ Influence of religious institutions on community development. **Religion-based social capital** has a significant impact on **small business development within an ethnic community** by serving as business incubators and providing capital to emerging firms (Choi, 2010).



Economic Influences

- ▶ Economic school contends that the attractiveness of social entrepreneurship exists as a result of the “**information about material resources in society**” (Companys and McMullen, 2007, p. 301) and the **economic context of entrepreneurial opportunities**.
 - ▶ Woolley and Rottner (2008) found that states with the earliest innovation policies consisting of **science and technology, and economic initiatives, reported higher rates of firm founding that contributed to a first-mover advantage**. The level of **research and development (R&D)** resources available and the **investment in human capital** have a direct impact on the innovative activities of firms (Furman et al., 2002).
-



Economic Influences

- ▶ Governmental bodies in many nations are increasing their utilization of venture capital to support R&D and drive economic growth (Cumming, 2007), including developing partnerships between government and private venture capital funds (Lerner, 2002).
 - ▶ Van Putten and Green (2010) found that during a recession such as the one experienced beginning in 2007, factors including low cost of skilled labor, cheaper supplies, tax incentives, technology and social networks increase the ease of entry into social entrepreneurship.
-



Cultural and Gender Patterns Influence

- ▶ Cultural norms and values prescribe appropriate behaviors. **Knowledge of expectations and what is permissible or considered legitimate by social and cultural standards** is a critical part of crafting effective social entrepreneurial strategies and operational plans (Dacin et al., 2010).
- ▶ Cultural influences on entrepreneurship can differentiate among the types of ventures specific populations may be motivated to create, as well as entrepreneurial orientation (Fayolle et al., 2010). Williams (2007) found that many **marginalized groups are more likely to be socially-orientated than profit-orientated.**



Cultural values and expectations

- ▶ In the 41 countries monitored, men were more likely to be entrepreneurs in all countries except Japan, Thailand, Peru and Brazil (Allen et al., 2007).
- ▶ Despite the gap, the trends disclosed in the report suggest that **the number of women entrepreneurs around the world continues to increase, strengthening their contributions to their communities and the global economy.**
- ▶ **Gender and cultural stereotypes persist in some areas, and can lead to barriers limiting business growth,** such as reduced access to capital and markets, and inadequate – or lack of – access to training and assistance (Gatewood et al., 2009).



Gender Difference

- ▶ Using a sample of 15,141 entrepreneurs in 48 countries from the Global Entrepreneurship Monitor, [Hechavarría et al. \(2017\)](#) found that **women entrepreneurs are more likely than men to emphasize social value goals over economic value creation goals**. Individuals who start ventures in **strong post-materialist societies** are **more likely to have social and environmental value creation goals** and **less likely to have economic value creation goals**.
 - ▶ As levels of post-materialism rise among societies, the relationship between value creation goals and gender changes, **intensifying both the negative effect of being female on economic value goals and the positive effect on social value goals**. In other words, post-materialism further widens the gender gap in value creation goals.
-



Degree of Influences of different factors

- ▶ Griffiths, Grundy & Kickul (2013) revealed that **socio-political variables** accounted for **76 percent** of the variance in social entrepreneurial activity.
 - ▶ However, the **cultural** and **economic** variables accounted for only **4** and **2** percent, respectively of the variance beyond the socio-political variables. It was found that the **single greatest determinant** of social entrepreneurial activity is the **degree of female participation in the labor force**
-



Drives of Social Entrepreneurship: Emotion and Creativity



Emotions

- ▶ Social entrepreneurship is linked to welfare, and social entrepreneurs show **specific altruistic motivations** to start their businesses that may be linked to **creativity** and **emotions** (Erro-Garcés, 2019).
- ▶ Positive emotions build **individuals' personal resources** (Fredrickson 1998) and expand their **cognitive thought processes** (Fredrickson 2003).
- ▶ This is even more relevant in the field of **social economy**, where social entrepreneurs need to innovate and use all of their cognitive abilities to transform society. **Emotional intelligence has therefore been analyzed as a driver of innovations.**
- ▶ Dore (2016) and Grant and Kinman (2012) noted the importance of emotions in social businesses.



Stakeholder theorists

- ▶ All affected groups involved in a business, including employees, customers, suppliers, financiers, communities, governmental actors, politicians and trade unions, in contrast to the classical definition of a firm, according to which only the owners of the company are meaningful, so the firm has the duty to put their needs first and increase value for them.
- ▶ Relationships between the organization and stakeholders, the way these relationships change over time and the nature of these relationships are key to stakeholder theory.
- ▶ Demands from all groups involved in a company should be considered. By doing so, a new socio-political level appears in the analysis and strategy of the companies.



Ontological Perspective of Stakeholders

- ▶ The social and emotional value created for stakeholders was considered by Retolaza, San-Jose, and Ruiz-Roqueni (2014).
- ▶ They defined a so-called **ontological perspective** of stakeholders, in which they **moved from a purely monetarist model** to an **economic, social and emotional value creation model**. Indeed, they identified a model where these perspectives were considered and all stakeholders were included in the model to measure the creation of value.



Creativity

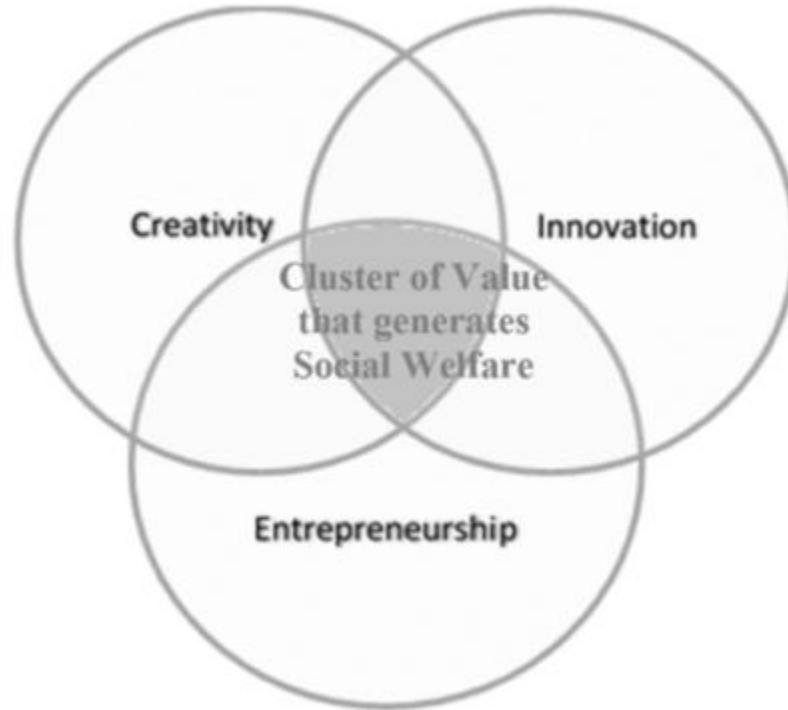


Figure 1: Relationship between creativity (emotions), entrepreneurship and innovation. Cluster of Value. Source: Erro-Garcés (2019)'s elaboration from De Val and Erro (2017).

Creativity



- ▶ Social entrepreneurs' **creativity is essential to develop social innovations focused on the improvement** of the society where these entrepreneurs work. SE is a discipline **closely linked to social welfare, and, in the same direction** (Gilbert et al., 2015).



Education enhance creativity



- ▶ Eadie and Lymbery (2007) have argued that the development of innovative forms of entrepreneurship depends precisely upon the existence of forms of education that can foster and enhance students' ability to work creatively.
- ▶ In this line, the stakeholder approach has even been applied to education since 1975, considering students as stakeholders (Leisyte and Westerheijden 2014).



Creativity linked to emotion

- ▶ Creativity is a cognitive and volitional ability linked to the emotional system. Under this conception, creativity is embedded in the emotions (De Val & Erro, 2017) .
- ▶ When creativity, innovation and entrepreneurship are developed together, **a cluster of value appears – as several value chains are bundled together – and social welfare emerges.**
- ▶ In other words, the creation of a cluster of value that results from **creative innovations** and is developed as a new project by entrepreneurs results in several new activities that **generate value to different collectives.**



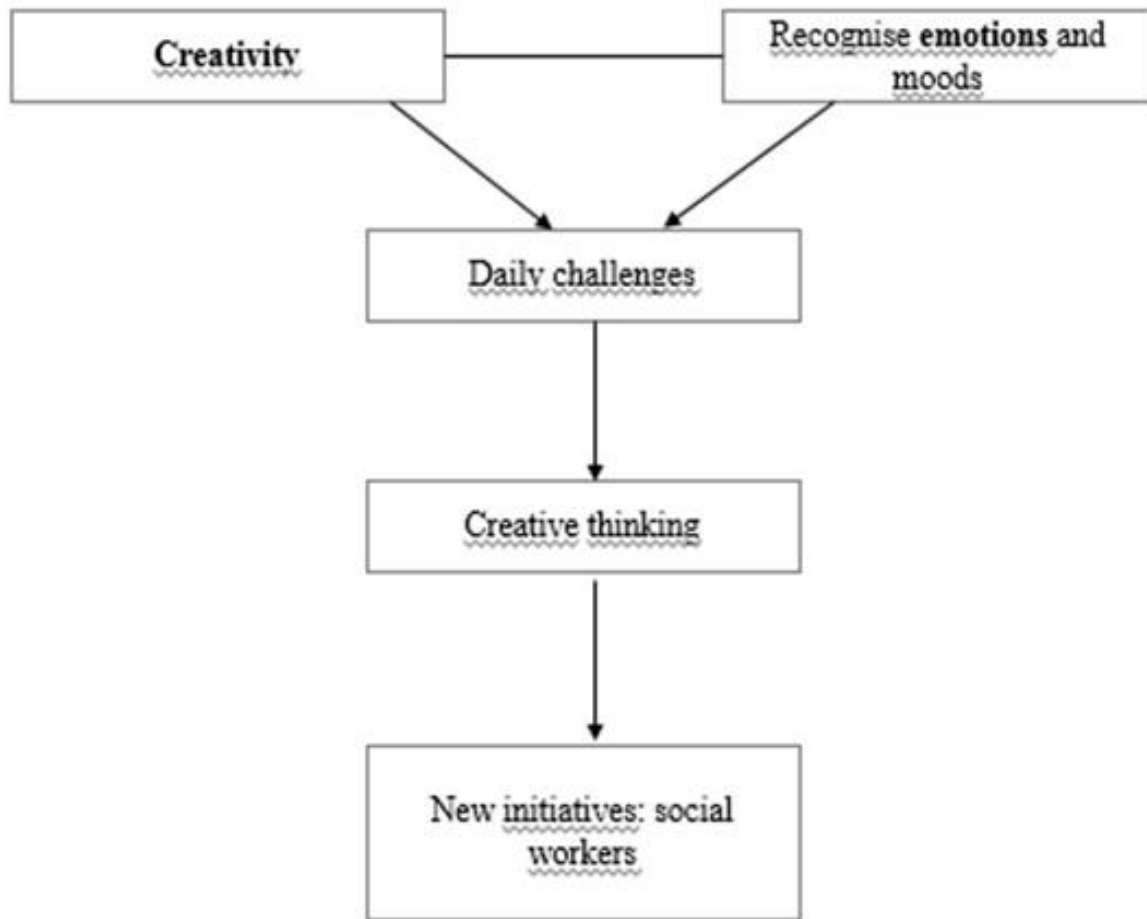


Figure 2. Relationship between creativity and emotions. Social workers as emotional inspirers. Source: Adapted from Newton (2013).

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What is Social Innovation for Social Work?

 Start presenting to display the poll results on this slide.

Social Innovation & Social Work

- ▶ Social work as a profession and discipline is committed to social change and development.
 - ▶ There is a long tradition of innovation in social work: changing social problems demand for **new and novel** approaches and services.
 - ▶ Social innovation in social work is characterized by **ethical foundation**, **cooperation between practice and science**, **cooperation with civil society**, organizational framework and a high sensibility for **innovative risks** ([Parpa-Blaser & Huttemann, 2019](#)).
-
- ▶

Innovation in Social Work

- ▶ Characterized by the participation of social work professionals in the innovation process:
 - ▶ Social work has proven its innovative potential time and again.
 - ▶ The innovative power of social work has also significantly **stimulated societal innovations** as social planning, family counselling, prevention, or the paradigm shift from integration to inclusion.
 - ▶ General characteristics of social innovation include **complexity, riskiness, reflexivity, unpredictability and limited controllability, diversity and heterogeneity of the involved parties, non-linear patterns** as well as a high degree of context and interaction dependency
-
- ▶

Dynamic nature of social work practice

Brown (2015)

- ▶ The **dynamic nature** of social work practice and the problems it seeks to address require the profession to be constantly evolving and looking to find new and creative ways to support vulnerable people.
 - ▶ Social work operates within a world where demand rarely decreases, **often increases and where expectations are always rising yet budgets are often falling.**
 - ▶ In response to changing expectations, pressure groups, changing demographics, high-profile cases, reports of poor performance, financial crises and a change of government (with its potential policy shifts), the UK social work sector faces unprecedented levels of change.
 - ▶ Innovation are promoted by the UK and EU Governments
-

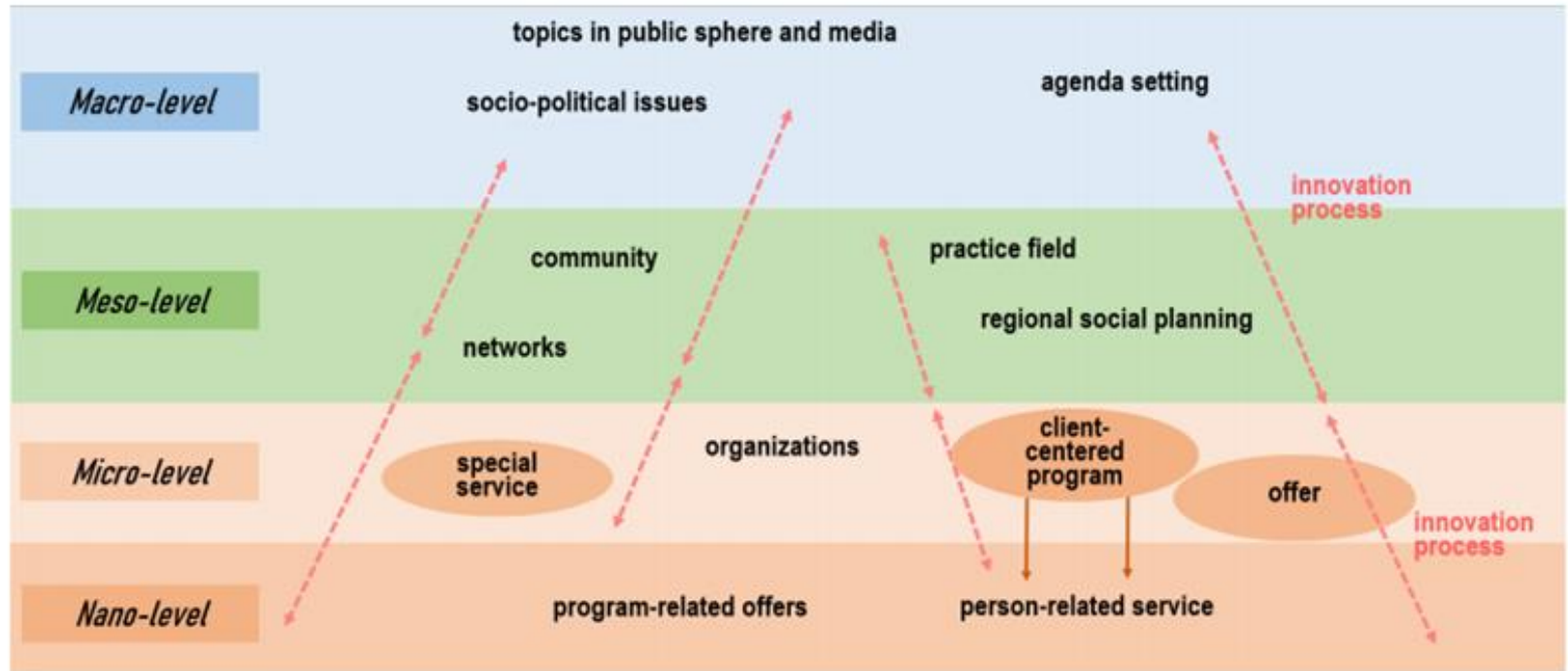


Problems of Innovation in social work

- ▶ The suggestion that innovation might offer solutions to some of the problems facing the social work sector has found its way into recent practice reviews.
- ▶ In order to realise the potential of innovation, academics, policymakers and managers need to have a good understanding of the process of managing innovation, namely how to initiate, develop, implement and sustain innovative programmes.
- ▶ Brown (2015) argued that this knowledge was **currently underdeveloped, particularly in relation to how to scale up** from a pilot site.




Levels of innovation in Social Work



Analytical framework for analyzing the interrelations between different levels

Cooperation with Civil Society

- ▶ The role of **civil society actors and the cooperation of social work professionals with voluntary and non-professional forces** is also crucial:
 - ▶ **different levels of analysis must be combined.** In addition, medium-term effects have to be considered to adequately map and analyze social innovation (in conjunction with social work), as **it is more than the co-design and improvement of public services.**
 - ▶ **high political significance in the sense that social problems mostly have both, an individual and a structural dimension,** which implies that innovations in social work not only aim at a better, more effective and precise addressing of a social problem, but at best also have an impact on the causes of the issue.
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Case 3: Anti bedbug project in Hong Kong

Health / Spiritual
Improvement

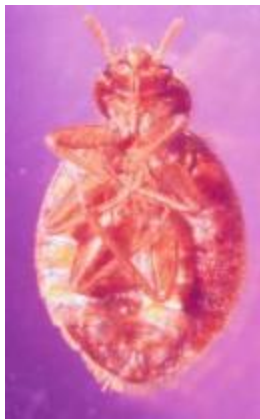
NOW 經緯線-蝨禍

<https://www.youtube.com/watch?v=fgABkTklbho>

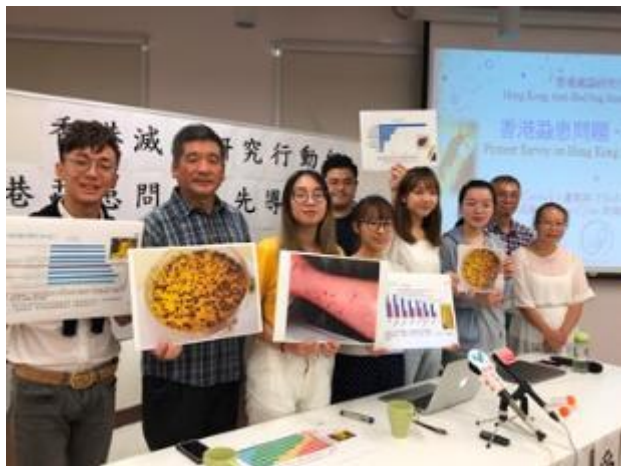
The Case of Bed Bugs – 床蟲的故事



The Case of Bed Bugs – 床蟲的故事



The Case of Bed Bugs – 床蟲的故事



The Case of Bed Bugs – 床蟲的故事

Survival of bedbug in a non-killing fungus culture after 7 days



The resurgence of bed bugs has been attributed to travel, increased insecticide resistance and changes in pesticide practices.



Killing a nest of bedbugs by a carrier bedbug which is pre-inoculated and killed by a fungus.

The Case of Bed Bugs – 床蟲的故事

Jul 23 2019



Under CUHK Treatment



Aug 26 2019



Sep 3 2019



Sep 12 2019



Sep 23 2019



Biting
midge

Bedbug



The Case of Bed Bugs – 床蟲的故事



The End or The Never-Ending
Story?





End of CASE 3

Social Entrepreneurship & Social Work Practice



Social Entrepreneurship and Social Work

- ▶ Nonprofit agency-based social work is an enterprise more similar to for-profit business endeavor than many administrators can understand or would like to believe (Tuckman, 2004).
- ▶ According to due to increased competition for funding it is now essential that human service leaders foster business innovation by embracing an entrepreneurial mindset and transforming the cultures of their organizations to establish sustainability of services (Jaskyte, 2004) .



Social Worker's role in Social Change



- ▶ When those in the mainstream discuss new strategies for social change, **social workers should be part of that discussion and should be ready to lead the path toward transformation** (Germak & Singh, 2010)



Hybrid of micro-macro social work practice and business skills & activities

- ▶ Development of a social enterprise as a social worker, the process of developing a social enterprise which combine knowledge in micro and macro social work practice & business advice
(Linton, 2013).

- ▶ key steps involves:
 - (1) **needs assessment**,
 - (2) **researching supply and demand**,
 - (3) **developing a logic model**,
 - (4) **financial planning**,
 - (5) **creating an interdisciplinary team**,
 - (6) **obtaining legal consultation**,
 - (7) **marketing and advertising**,
 - (8) **implementation**, and
 - (9) **evaluation and impact measurement**.



Combining social needs with social assets

- ▶ The first step in any social work practice is a needs assessment with the goal of assessing needs and options to determine a course of action (Hepworth et al. 2012).
- ▶ Like any community organizing, rapport building is a critical aspect to gaining knowledge about community wants and needs (Hepworth et al. 2012; Organista, 2009).
- ▶ In addition, it is important to assess for strengths in a needs assessment (Hepworth et al., 2012).



Assessment **WITH** the community

- ▶ Social workers may have general ideas of community needs based on their experience working in communities, but it is the social worker's responsibility to conduct a needs assessment **with** the community before assuming they are knowledgeable of the community's needs.
- ▶ This process is essential and can take much longer than expected.




Financial Planning

- ▶ The organizational needs should also be assessed and combined with the community needs.
 - ▶ Most nonprofits would consider starting market-based activity due to funding needs. Like most start-up businesses, **the social enterprise may take a year to make a profit** (Ballou et al., 2008).
 - ▶ This may be too much time for nonprofits that need to supplement lost grant funding in the poor economy. If this is the case, the nonprofit should **seek start-up business or social entrepreneurship grant funding to provide stability for the first year of development.**
 - ▶ A nonprofit should predict the organizational resources, such as staff time, needed to start and maintain a social enterprise.
-



Program vs. Overhead cost

- ▶ Although nonprofit organizations undoubtedly benefit from philanthropy by means of charitable donations—and donors subsequently benefit from tax deductions—Gummer (2001) explains that **most charitable donations are slated for specific programs within a nonprofit agency and not for operating or overhead costs** (commonly referred to as general operating or capacity building expenses).
-
- 

Unrestricted earned income

- ▶ An enterprising and innovative nonprofit agency can greatly benefit from generating revenue that is less connected to specific program initiatives (Young, 2004).
 - ▶ Such revenue is commonly referred to as **unrestricted earned income** and the desire for such income in an agency's overall fiscal portfolio is a good starting point for those interested in social entrepreneurship (Dees, Emerson, & Economy, 2002; Skloot, 1988).
-



More opportunity to develop “true” programme

- ▶ When an agency is able to rely more heavily on unrestricted funds as opposed to frequently restricted charitable donations or government contract revenue, there is typically more **opportunity to develop programs that truly meet clients’ needs and wants.**
- ▶ For example, if an executive director determines through a needs assessment and market research that his or her agency’s adult clients need and want substance abuse treatment, the executive has an obligation to attempt to meet such a demand for services if it falls within the agency’s mission.



Unrelated Business Income Tax (UBIT)

- ▶ In USA, commercial activity unrelated to an agency's mission could incur **Unrelated Business Income Tax (UBIT)**.
- ▶ Watson (2006) explains that the allowance for UBIT is currently \$10,000, meaning that if a social service agency generates income greater than \$10,000 in a given year from selling mission-unrelated goods or services, the agency must pay taxes on that income and the Internal Revenue Service may ask that agency to furnish financial statements certifying that no more than one-third of its total revenue has come from unrelated business.



Assistance from Business Professionals

- ▶ If an agency continually generates more than one-third of its revenue from unrelated commercial activity, it could lose its 501(c)(3) tax-exempt status. If UBIT sounds complicated, it is, and therefore its details fall far beyond the scope of this paper.
- ▶ As a result, it is likely that some social work administrators avoid developing unrelated businesses due to the very complexity of the tax situation. However, **unrelated business is a viable option for diversifying revenue in a nonprofit organization and administrators can easily overcome this hurdle by seeking professional tax advice (Watson, 2006).**



Dilemma & checking mechanism

- ▶ Social workers practicing social entrepreneurship will continuously face an **ethical dilemma regarding commitment to clients**: There is no way to avoid **an administrator's responsibilities to the myriad of stakeholders in both the internal and external environments**.
- ▶ To address this dilemma in social enterprises, it would be prudent to establish **a committee to periodically review the social entrepreneur's adherence to his or her commitment to clients** because without such commitment, albeit a balanced one, the entrepreneur loses sight of the social aspect of social entrepreneurship.



THANK YOU

