

Social Enterprise

in British Columbia

April 2014

WHAT IS SOCIAL ENTERPRISE?

Social enterprise is an example of social innovation – a new idea aimed at addressing a complex, pervasive social challenge. In this case, the innovation takes the form of an entirely new business model, one which blends profit with a social and/or environmental purpose.

As with any business, a social enterprise strives to deliver valued goods and services to customers in the marketplace. However, social enterprises differ from most traditional businesses in that profits are not just used to ensure financial viability, but are re-invested in the business and/or the community to achieve, sustain and further the organization's social or environmental purpose. Examples range from thrift stores and farmers markets to businesses that provide on-the-job training to people with disabilities or other barriers to employment.

WHAT ARE THE BENEFITS OF SOCIAL ENTERPRISE?

First, social enterprises make many contributions to the health and sustainability of communities. They **address environmental issues, reduce poverty, provide services and products to underserved communities, and develop social and cultural capital.** They also **stimulate economic activity and revitalization.** Social enterprise can be a key element of economic diversity and development.

HOW DOES SOCIAL ENTERPRISE SUPPORT HEALTHY COMMUNITIES?

Because social enterprises operate with a social or environmental purpose, they help to address many of the challenging issues facing B.C.'s communities. Social enterprises often provide on-the-job training to people who have employment barriers, build affordable housing, provide affordable and accessible health care, help recent immigrants to integrate, and provide products and services to underserved communities. Recycling, ecotourism, and car-sharing are social enterprise models that address critical environmental issues.

The [Smokehouse Restaurant](#), operated by the Prince George Native Friendship Centre, offers a 6-month culinary training program. Students participate in the operation of the restaurant while receiving training, which includes essential courses such as FoodSafe, employment preparation workshops and a 2-week work placement. Through a partnership with the local school district, program participants receive course credits toward the Adult Grade 12 Dogwood Diploma.

HOW DOES SOCIAL ENTERPRISE SUPPORT ECONOMIC DEVELOPMENT?

As an award-winning Social Enterprise, the mission of [Potluck Café Society](#) is to transform lives by creating jobs and providing healthy food for people living in Vancouver's Downtown Eastside. The society operates a café and catering business to create jobs for neighborhood residents with barriers to traditional employment and earn revenue to support its community.

Social enterprise is experiencing an unprecedented evolution and emergence as a tool for community and economic development. What was considered to be innovative practice ten years ago is now a significant element within non-profit sector program delivery options, gaining a place in public policy, and achieving new levels of market success.

Based on a 2011 survey, B.C. social enterprises¹ provided services to over 695,000 people and generated at least \$60 million in revenues, including at least \$49.5 million in sales. They paid \$37 million in wages and salaries to at least 2,600 people, of whom 2,400 were employed as part of the mission of the organization; involved 5,520 volunteers; and trained thousands of people.

As the sector is growing, there is increasing interest in "impact investment" – investment that creates a positive impact beyond simply financial return. A strong social enterprise sector will allow B.C. communities to tap into this emerging investment market and create stronger, more diversified economies.

¹ 110 survey respondents

WHERE CAN I FIND MORE INFORMATION ABOUT SOCIAL ENTERPRISE?

Visit these sites for more information about B.C.'s growing capacity for social enterprise, and the positive economic and social impacts:

- BC Partners for Social Impact: www.socialimpactpartners.ca
- enterprising non-profits: www.enterprisingnonprofits.ca/
- VanCity: Social Enterprise and Social Venture: www.vancity.com/AboutUs/InvestingInCommunities/Stories/Social/
- ISIS Research Centre (Sauder School of Business, UBC): www.sauder.ubc.ca/Faculty/Research_Centres/ISIS
- RADIUS (Beedie School of Business, SFU): www.radiussfu.com/