

They're Businesses, but Not as we Know Them – Identifying Social Enterprises across the UK

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What is “Social Enterprise”? Who are “Social Enterprises”?

“An earned-income business or strategy undertaken by a non-profit organisation to generate revenue in support of its charitable mission. Earned income consists of payments received in direct exchange for a product, service or privilege.”

Social Enterprise Alliance

“A social enterprise is a business with primarily social objectives whose surpluses are reinvested for that purpose in the business or the community, rather than being driven by the need to maximise profit for shareholders and owners.”

Social Enterprise Unit, DTI

“Social enterprises trade in the market to primarily achieve social aims, which they prioritise above the need to maximise profit. They employ ethical business practices and benefit society through reinvesting surpluses and/or addressing social issues within the community.

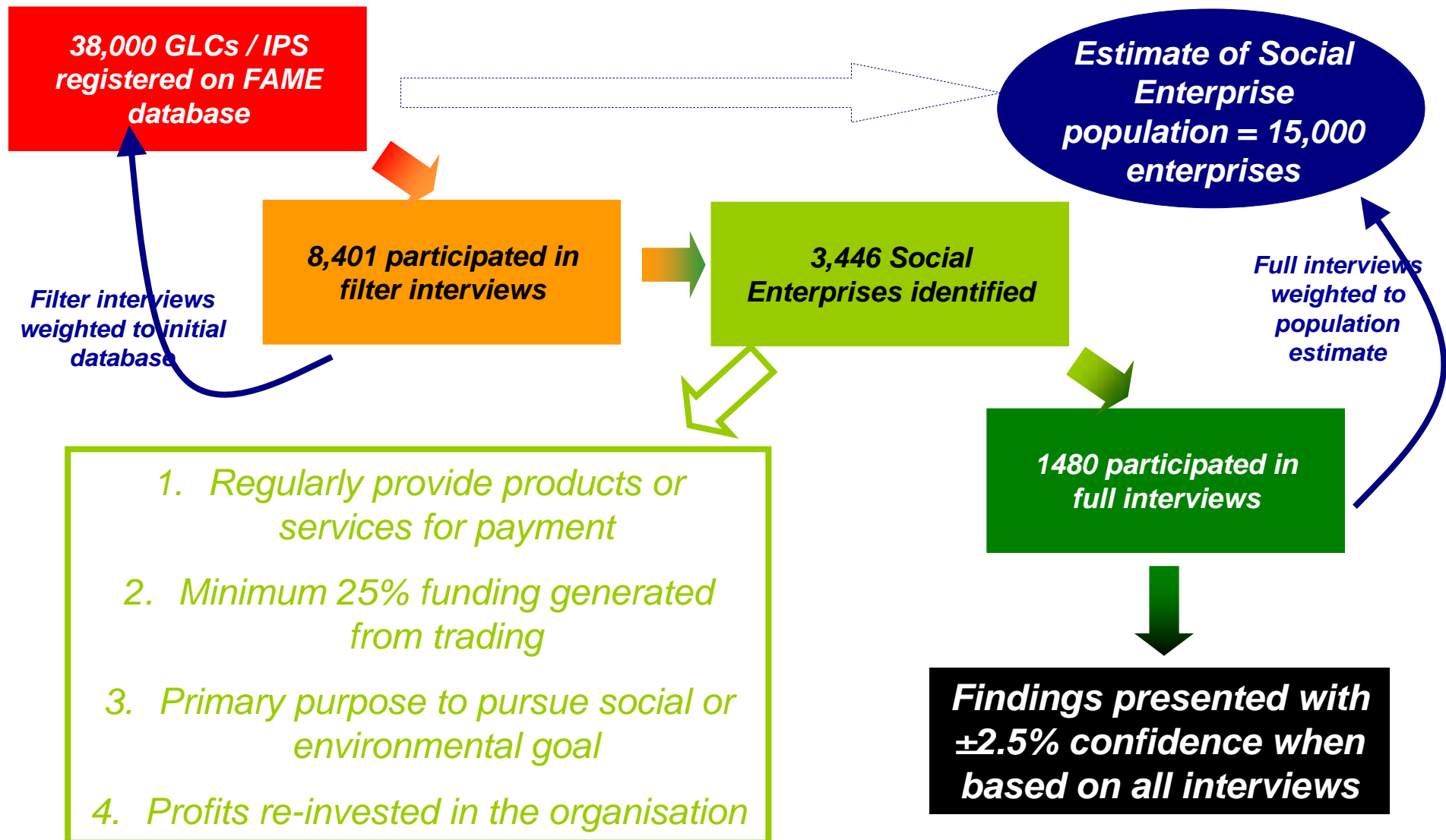
Social enterprises have a strong foundation and a broad base that includes co-operatives and fair trade organisations.”

Social Enterprise Magazine

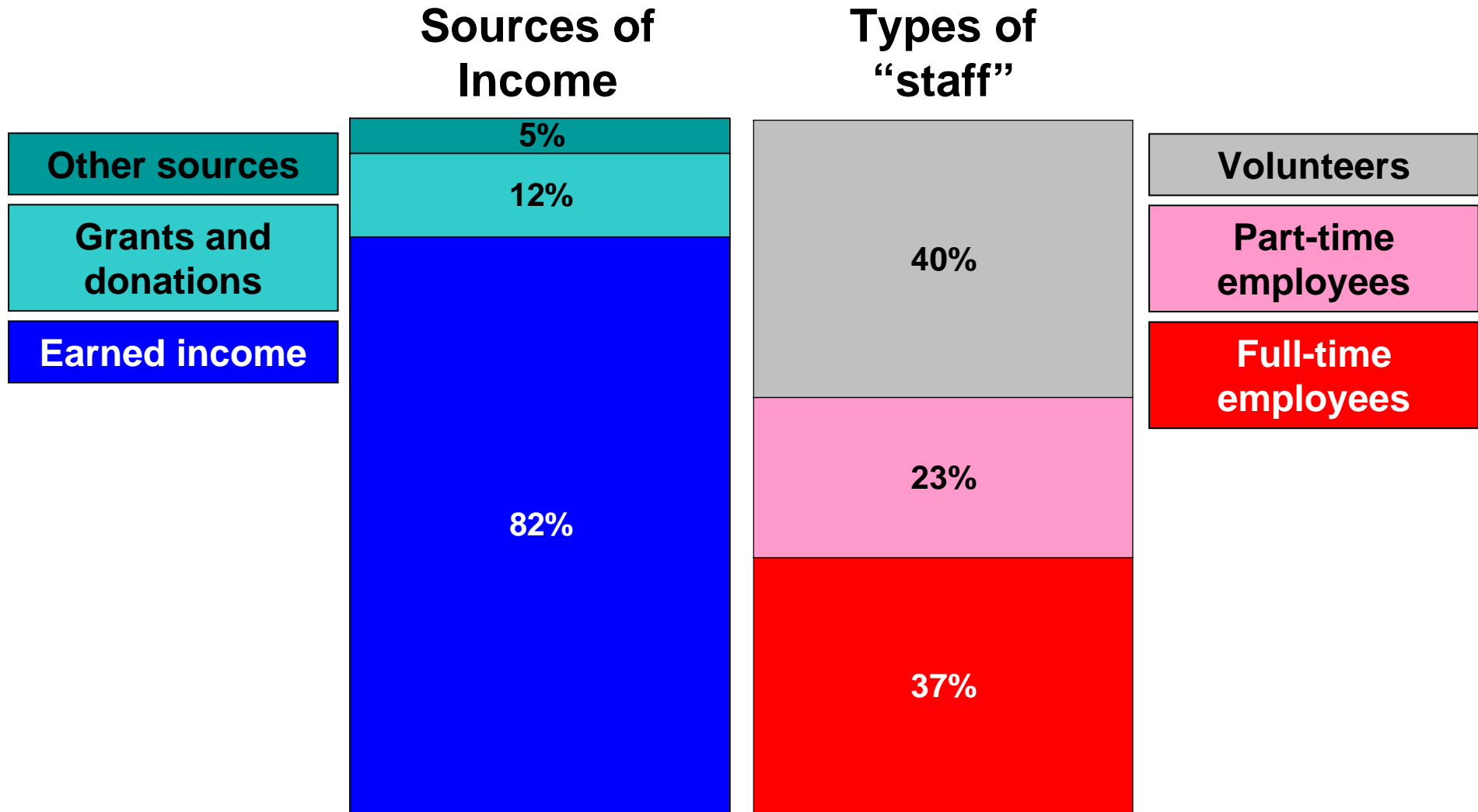
What makes Social Enterprises a difficult audience to survey?

- **A “new” concept / term**
- **A disputed concept / term**
 - **Some organisations which meet the criteria do not describe themselves as Social Enterprises**
 - **Some organisations which do not meet the criteria think that they do**
- **A marginal definition**

How did IFF / DTI overcome these challenges?

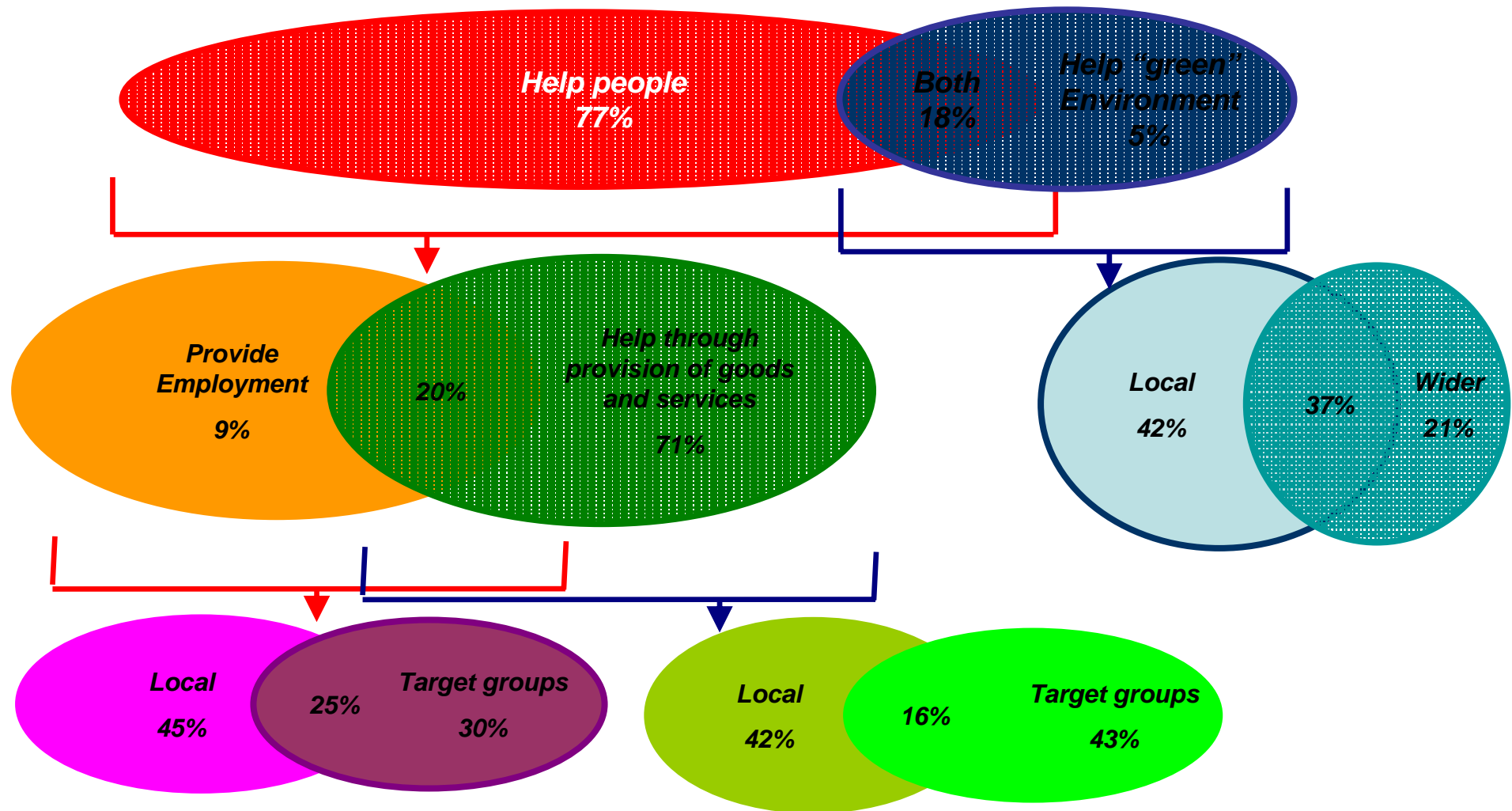


Social Enterprises turnover approximately £18billion, most of which is “earned income”, and employ more than ¾ million people, two-fifths of whom are volunteers

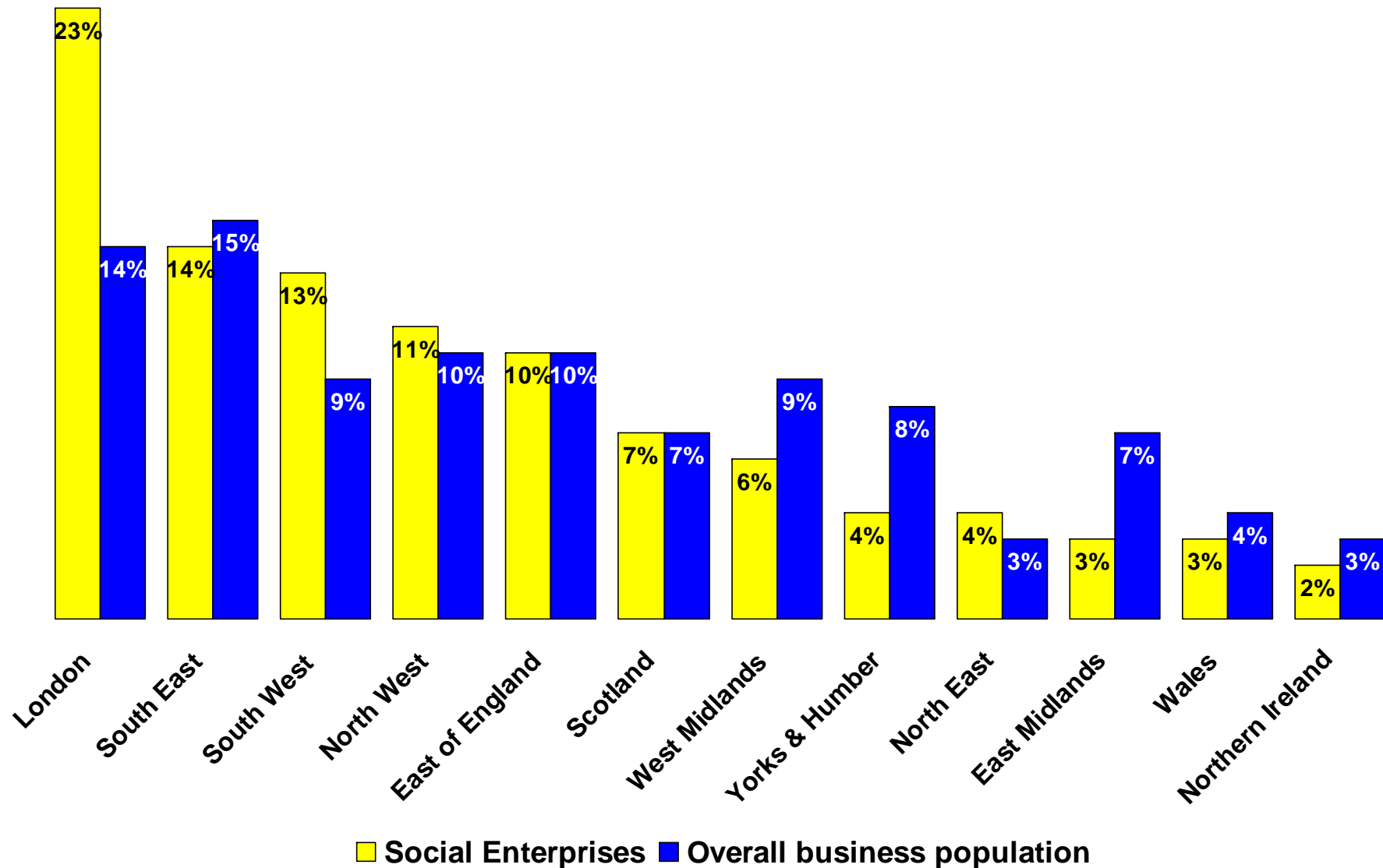


The aims of Social Enterprises are complex and diverse.

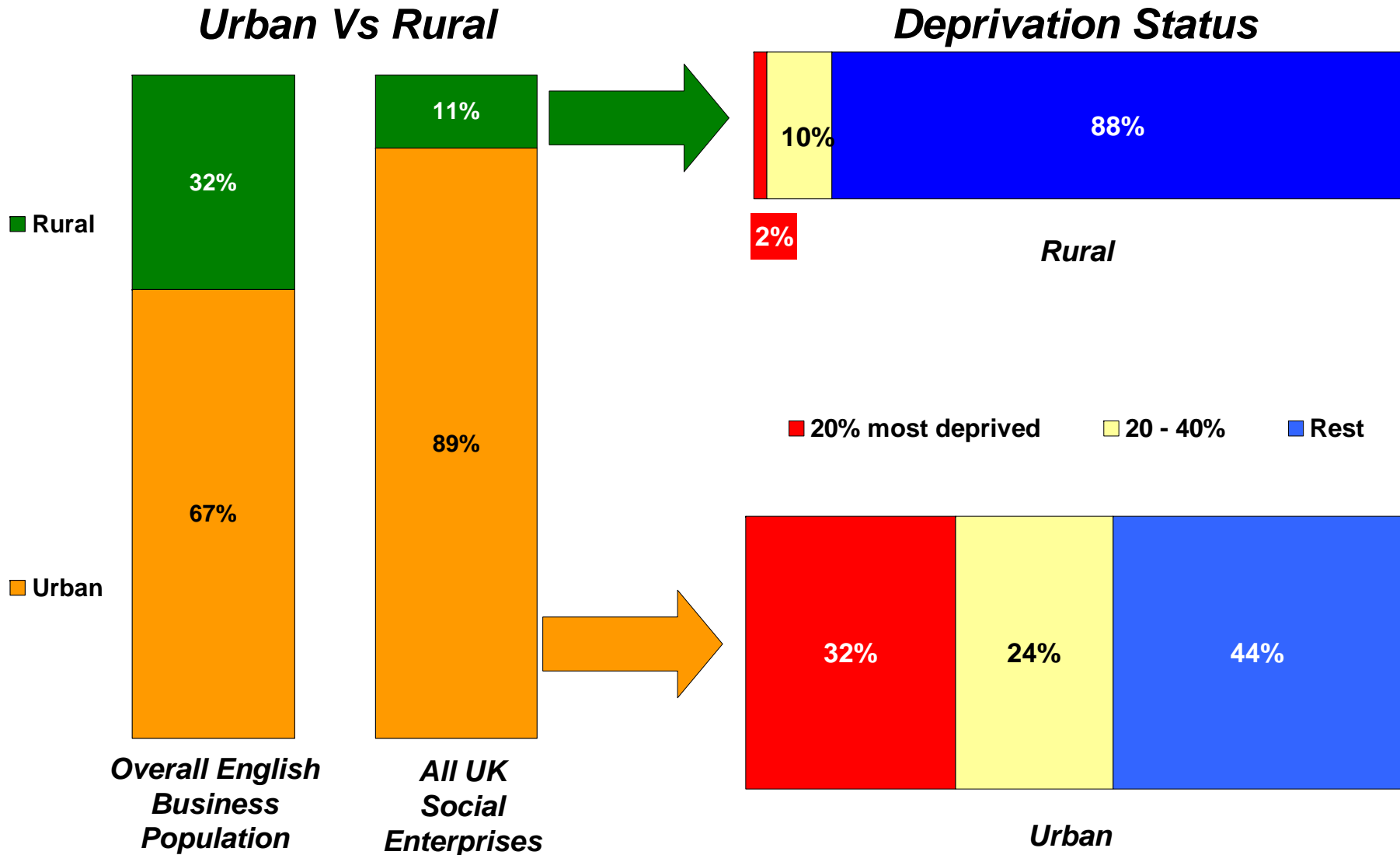
Most commonly, however, they exist to help people, usually through the provision of goods and services.



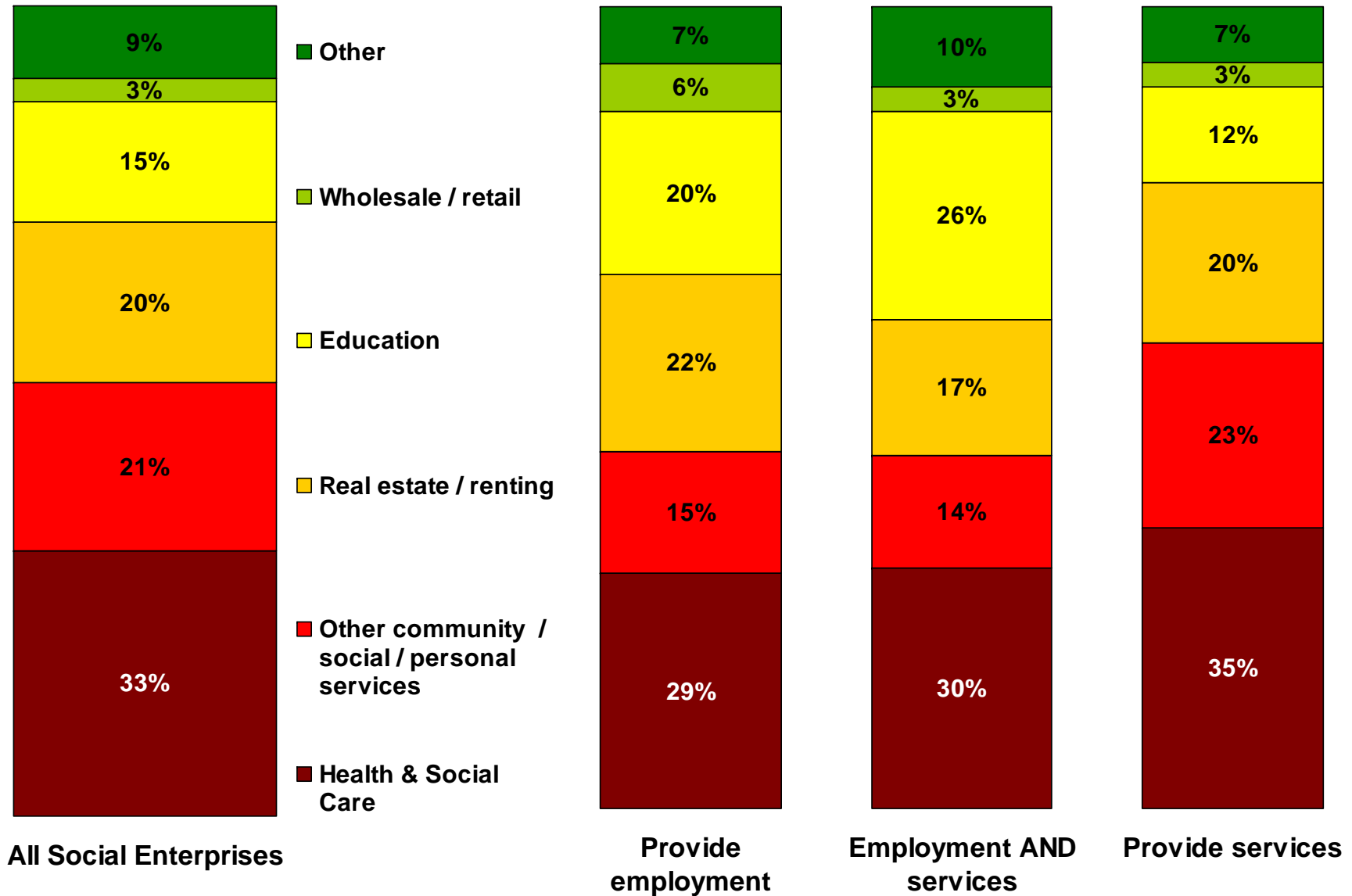
Social Enterprises are present in all parts of the UK, but are over-represented in London (and the South West), and under-represented in the Midlands and in Yorkshire & Humberside



Social Enterprises are most commonly located in urban areas, and are relatively likely to be in areas of high deprivation



Social Enterprises' trading activities encompass provision of a wide range of services, with a specific focus on "care, advice and guidance"



In summary

- Social Enterprises account for a small but significant sub-section of the UK business population
 - c. 15k organisations → 1% of UK employers
 - Employ c.775k people (of whom almost ½ million in paid employment)
 - Turnover c.£18b
- Complex and diverse aims and structures
- “Trading activity” central to their operations
- Have a role in urban regeneration, but Social Enterprise form clearly also has broader appeal / value