

SOCIAL ENTREPRENEURSHIP – OPPORTUNITY FOR DIFFERENT TYPE OF BUSINESS

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Latvia
University of
Agriculture

Content of the lecture

- The essence and importance of social entrepreneurship.
- Social business examples in Latvia and around the world.
- Social entrepreneurship – challenges and opportunities.





What is social
entrepreneurship?



solution of social or environmental problems

help to socially sensitive society individuals

reduction of poverty



making
profit

revenue generation

commercial activities

prosperity

economic, financial
sustainability



CHARITY + ENTREPRENEURIAL APPROACH = SOCIAL ENTREPRENEURSHIP



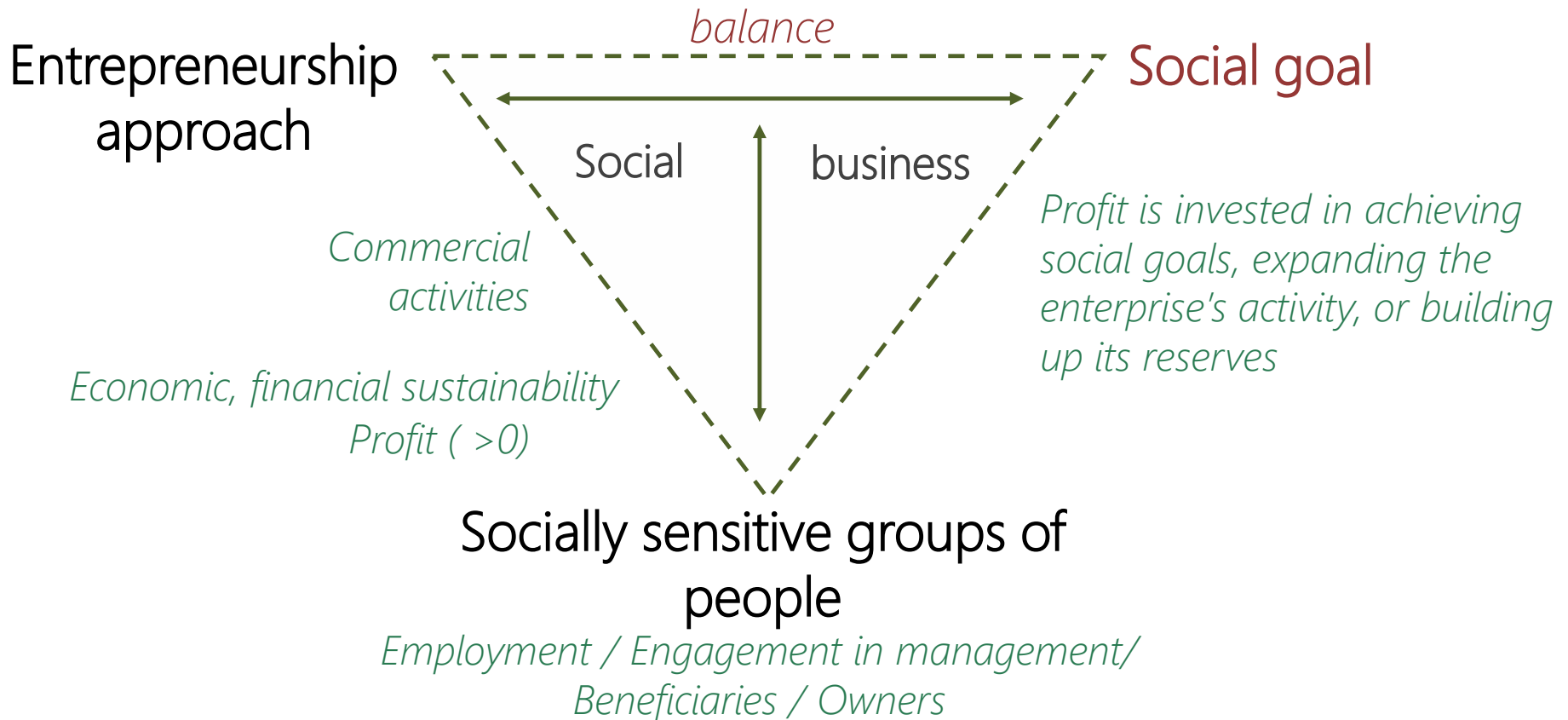
Social entrepreneurship is defined as a *kind of entrepreneurship, the priority of which is the **creation of social assets**, ensuring the **financial self-sustaining and sustainability** of the enterprise.*

Profit



Social problem-solving

Elements of identification of a social enterprise

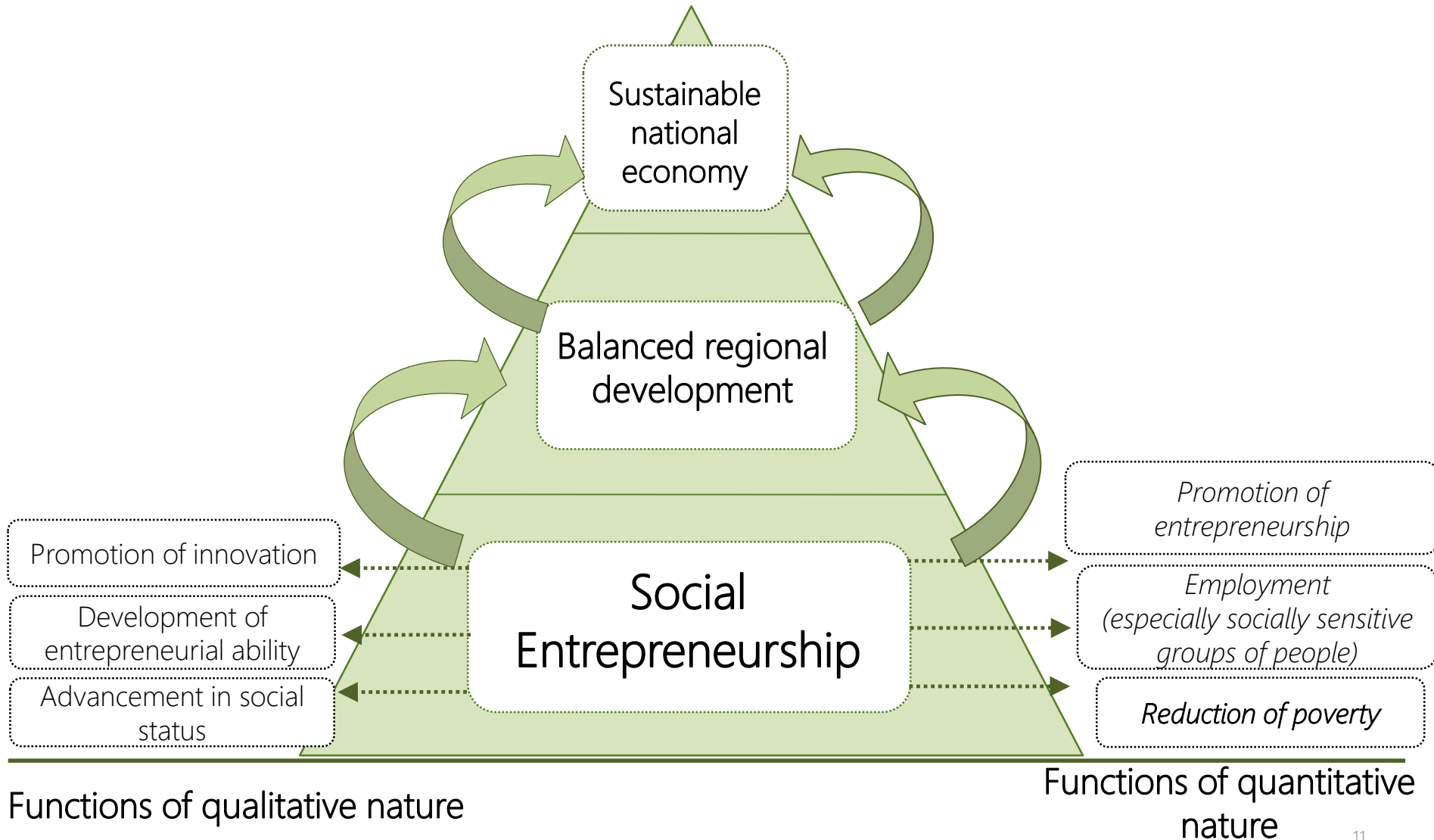


«Social business can be made by every person **who can see a need** for somebody, and most importantly – see how to solve it.»

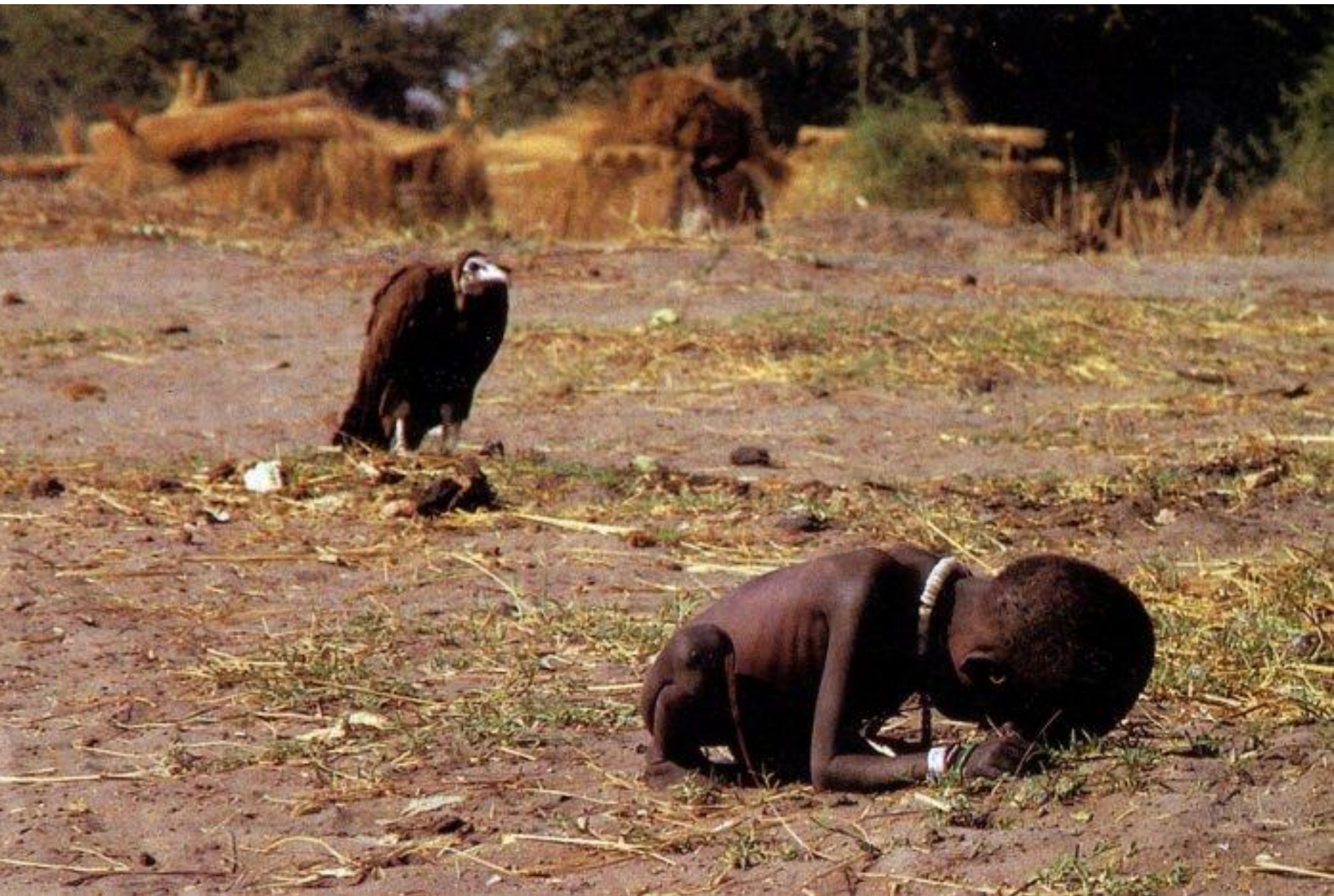
(Rasma Pīpiķe, the researcher of social entrepreneurship in Latvia)



Functions of social entrepreneurship in an economy



Kevin Carter, Sudan child – Pulitzer 1994







Muhammad Yunus
Banker in Bangladesh,
economist and Nobel Peace
Prize winner



42 people borrowed 27 dollars in total...

In the middle of 1976 the bank started providing microcredit to the poor...

Grameen Bank owns the poor – borrowers



The purpose of *Grameen Bank*:



Poverty reduction

Clients of the bank:

- *poor people* who can not get money in traditional banks;
- > 100 000 *beggars*. During four years 18 000 stopped begging;
- *students*
> 50 000 scored higher education through the *Grameen Bank* funding.



Bank service to the poor people

- 8 million borrowers, 97% – women;
- repayment of loans – 98% of cases.



Self-employment

- to *prevent the exploitation* of poor people;
- to create *self-employment* opportunities for the unemployed in rural Bangladesh.





Using the power of microcredit and social business to unleash human potential.

*“Poor people are bonsai people,
there is nothing wrong with their
seed - society never allowed
them the space to grow.”*

*-Nobel Peace Prize Laureate,
Muhammad Yunus*



a documentary by Holly Mosher BonsaiMovie.com



~2000 homeless and long term unemployed
~100 000 newspapers per week
>120 countries



Winner of the 2004 UN Habitat Scroll of Honour Award

NS 3,85 of the cover price goes to the vendor

THE BIG ISSUE

NOVEMBER 2004 ISSUE 11 Vol 3

NS 7,85 NAMIBIA

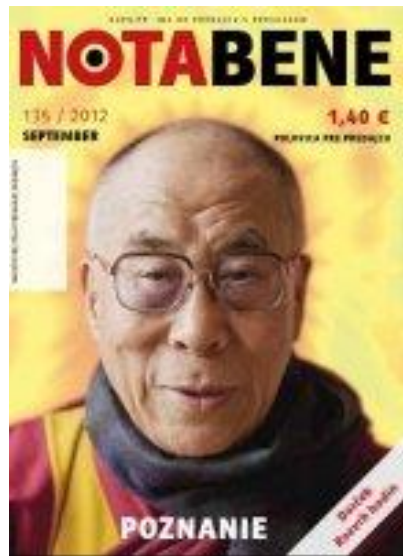
Gift of life
Organ donation

House proud
Homes built from clay

FREE BUMPER STICKER!

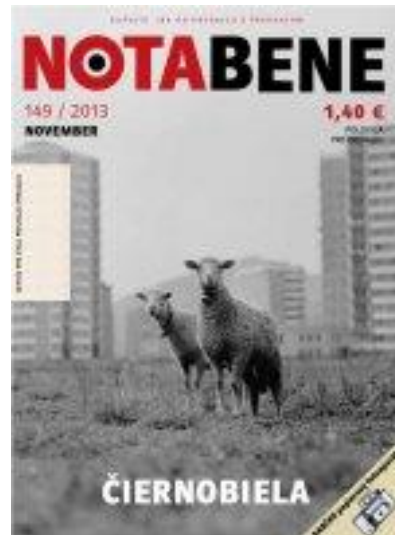
The most beautiful people in the world

your small change makes a big difference



NOTABENE

~ 450 homeless
~ 87 000 readers
18 towns in Slovakia





DIALOGUE IN THE DARK®

AN EXHIBITION
TO DISCOVER THE UNSEEN



- > 25 years experience
- > 39 countries, 130 cities
- > 835 employees, 64% with disability
- > 600 thousand visitors

2014.





TOMS: One for One

Blake Mycoskie is the Founder and Chief Shoe Giver of TOMS, and the person behind the idea of *One for One*, which has turned into a global movement.





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TOMS EYEWEAR



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WOMEN

MEN

YOUTH (5+ YRS)

TINY (0-5 YRS)

TOMS EYEWEAR

OUR MOVEMENT

- View All
- New Styles
- How We Wear Them
- Video Reviews

Haiti Artist Collective
Apparel & Accessories

- Artist
- Ballet Flats
- Botas

- Classics
- Cordones
- Crochet

- Eyewear
- Gift Cards

- Glitters
- Last Chance
- Nautical Biminis

- Stitchouts
- TOMS+
- Vegan

- Wedding Styles
- Wedges
- Wrap Boots

Campus Classics



CAMPUS CLASSICS



100+ partners

70+ countries



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WE HELP RESTORE SIGHT IN



WE'RE GUIDED BY

1

SIMPLE MISSION.



With every product you purchase, TOMS will help a person in need. **One for One.**[®]





285 000 000
are blind or
have some
problems with
eyes.

In 80% of these
cases is
possibility to
correct or
prevent it with
affordable eye
care.



 = 

One pair of TOMS glasses Sight for one person

Prescription Glasses / Sight-saving Surgery / Medical Treatment

WHAT YOUR PURCHASE SUPPORTS:

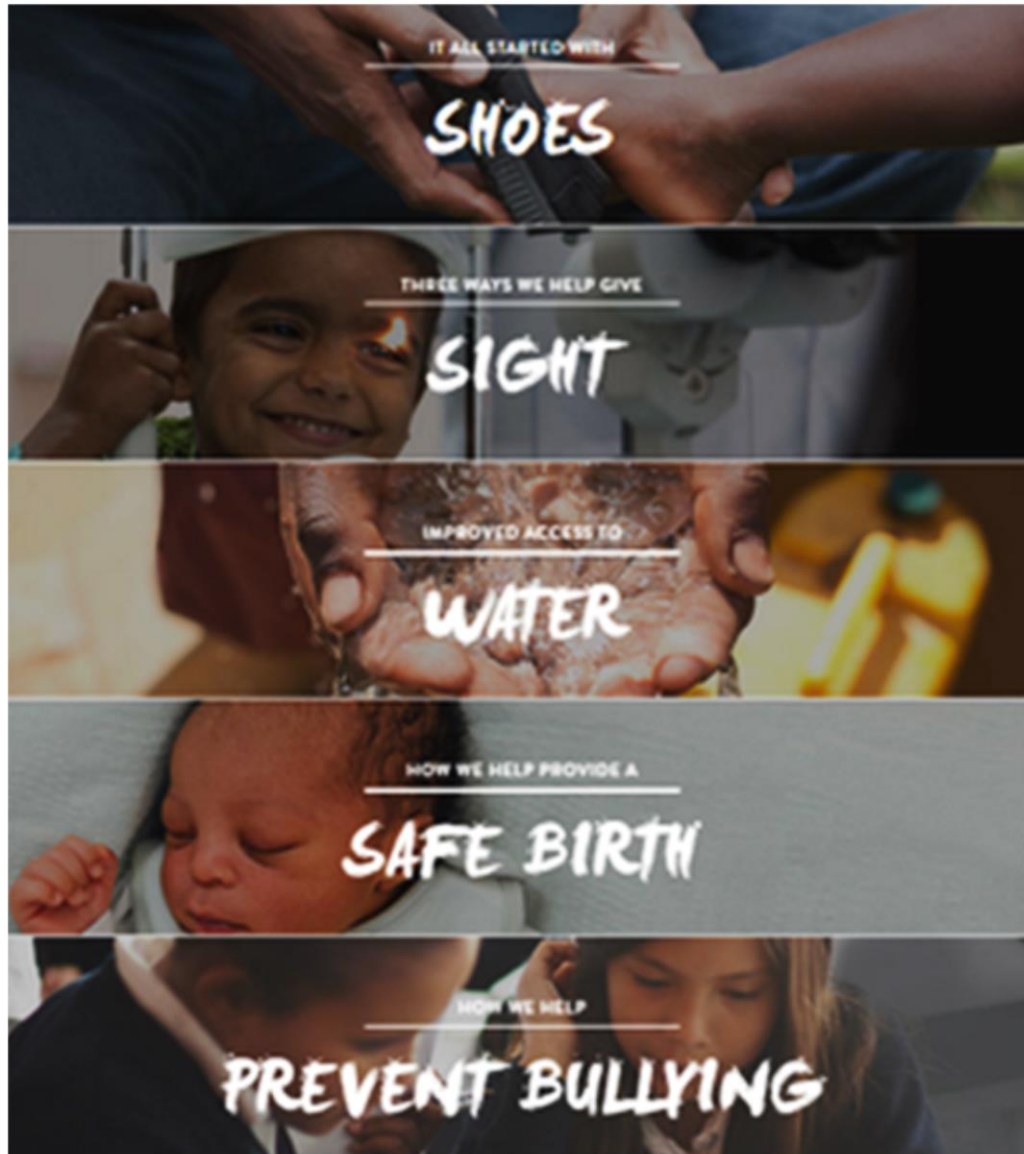
>50 million pairs of new shoes to children in need

helped to restore sight to over 360 thousand people in need

>250,000 weeks of safe water

40 million women across the world give birth each year without the help of a skilled birth attendant

Near 1 of 3 out of every 3 students, ages 12-18 in the US, reports being bullied



- 🏥 | 01 Improved health
- 🎓 | 02 Access to education
- 💡 | 03 Confidence building

- 🔧 | 01 Economic opportunity
- 🗑️ | 02 Gender equality
- 🎓 | 03 Access to education
- 👤 | 04 Restored independence

- 🏥 | 01 Improved health
- 📈 | 02 Economic opportunity
- 🎓 | 03 Access to education
- 🔧 | 04 Job creation

- 🏥 | 01 Delivery of safe birth kits
- 🎓 | 02 Training for skilled birth attendants
- 💡 | 03 Healthy delivery for new born baby and mom

- 🏠 | 01 Training of school communities
- 🌐 | 02 Training of crisis counsellors



- ~ 210 participants coming from different centres of rehabilitation
- ~ 5% of participants failed and left the project
- ~ 95% has finished successfully the project



Will it work in Latvia?

Sounds good, but it will never work in Latvia!

«If every time when I hear that phrase I could get 1 euro – I never have to work.»

(Michael Pyner, Social entrepreneurship expert in United Kingdom)





social problem = opportunity



MY
MUM IS
A REAL
SHEEP



VILLAINU GADU!



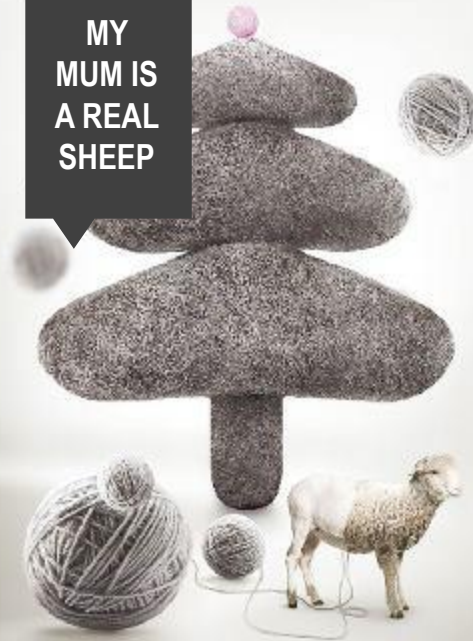
MY
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VILLAINU GADU!



MY
MUM IS
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SHEEP



VILLAINU GADU!

In Latvia there are > 10 000 blind and partially sighted people

Motivation

Patience

The desire to feel needed

Integration



To work or raise up a child?



Buteljans

Glass bottles – throw out or to recycle?

pensioner

55% agreed that old people are **burden to society**.
67% of people said the most common type of discrimination is **age discrimination**.

Google

pensionari

Aptuveni 81 600 rezultāti (0,31 sekundes)

Meklēt

Vidēja Droša meklēšana

izvērstā meklēšana

Visi

Attēli

Vēl

Jebkāda lieluma

Lieli

Vidēji

Ikonas

Lielāki par...

Precīzs lielums

Jebkāda veida

Portrets

Fotoattēls

Klipkopas

Zīmējums


Jebkāda krāsa

Krāsaini

Melnbalti

Standarta skatījums

Parādīt izmērus



to beg,
to ask

sit on the
edge

among other
seniors

lonely
feel sorry

36



LUDE



«People in retirement age are thrown out of the labor market, they are underappreciated resource. Modern pensioner is healthy, fresh, with a frightening thought that they are no longer needed in the workplace.»

(Zane Bojāre, founder of the social business)



LUDE

- Trained and employed **14 seniors**; In Lude currently operates **5 and 3 individually**
- Weave more than **100 rugs**, saving around **200 kg** of textile waste from entering the garbage
- Established a successful **supply chain of raw materials**, in collaboration with Rosme, LAUMA Lingerie, NIB * etc.
- Commenced trading on the internet and Latvian designer stores (RIIJA, Lukabuka, M50, etc.).





OMA BIKE TÛRE
Tours/Sightseeing

OMA BIKE

«OMAbike Tour» is a cycling adventure, led by cycling guides – seniors OMA and OPA.



Practical task:

Social problem = opportunity

-
- Identify a **social / environmental problem** in Budapest!
 - Who will be the employees of the company? What kind of **socially sensitive group** they will present?
 - What are the **strengths** of employed socially sensitive group?
 - How to ensure the viability of the company (profit)?



social problem = opportunity

ABILITIES

People with ~~disabilities~~



«There is a world of business and a world of charity. Why do not to combine these ideas – to generate revenue and to address social problems?»

(M. Yunus.)



Top 5 questions:

-
1. What is the main purpose of social entrepreneurship?
 2. How can you involve socially sensitive groups of people in social business?
 3. What is the most important quantitative function of social entrepreneurship?
 4. Who is the founder of *Grameen Bank* and pioneer of the concept of microcredit?
 5. Who are the owners of the *Grameen Bank*?





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THANK YOU FOR YOUR ATTENTION!

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