

***Evolution
of the social
enterprise industry:
A chronology
of key events***

-- DRAFT --

April 2, 2008

Compiled by The Institute for Social Entrepreneurs

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The social enterprise industry is rapidly evolving

***This chronology is an attempt to collect
in one place some of the key events
that have helped shape the industry thus far,
before they are lost to time***

PLEASE HELP!

- ***This is a draft*** -- although numerous people have helped compile this chronology, ***many key events obviously have been overlooked – and it may contain egregious errors***
- **PLEASE BRING THE MISSING EVENTS AND THE MISTAKES TO OUR ATTENTION** by sending a detailed e-mail to institute@orbis.net
- A revised chronology, with expanded annotations, will be posted online this summer and continuously updated

DEFINITION

- For the purposes of this chronology, a “social enterprise” is any entity that uses earned income strategies to pursue a double or triple bottom line
 - Either alone (*in a for-profit or nonprofit business*)
 - Or as a significant part of a nonprofit’s revenue stream

CAVEATS

- This is not meant to be a chronology of social enterprises themselves (*that will be developed later*)
- Rather, it is an attempt to *begin* identifying key events in the surrounding eco-system that have led to the emergence of an industry replete with investors, academics, consultants, media watchdogs and others

HISTORICAL ANTECEDENTS *(courtesy Jim McClurg)*

- **Monasteries:** Wine/cheese sales
- **Theatre groups:** Admission fees
- **Painters/sculptors:** Patrons and sponsorships
- **Prisons:** Community work projects
- **Higher education:** Tuition
- **Hospitals:** Fees to underwrite aid to the poor

PRIVATE SECTOR SOCIAL ENTERPRISE: FORERUNNERS



1890s: THE CARNEGIE MODEL

“Arm’s length philanthropy”
(make your fortune first, then give it away)

“Scientific” philanthropy: Help those willing to help themselves (“the swimming tenth” -- industrious workers who keep their heads above water)

Preferred fields of giving:
Universities, free libraries, hospitals, parks, concert halls, swimming pools, church buildings

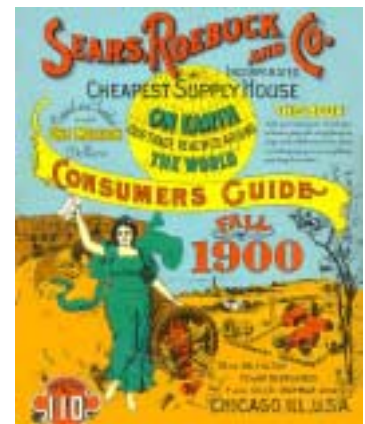
Andrew Carnegie viewed his expenses as “good works”



1910s-1920s: THE ROSENWALD MODEL *(Sears Roebuck and Co.)*

“Long-term market development”

Inventing and investing in organizations that benefit agricultural communities (e.g., the rural extension agent, the 4H Club) to make sure there would be a market for the company 20 years down the line



Julius Rosenwald viewed his expenses as “sunk costs”



**1960s – 1980s:
THE NORRIS MODEL
(Control Data Corporation)**



“Direct engagement”

*“Addressing the major unmet needs of society
as profitable business opportunities”*

William C. Norris viewed his expenses as “investments”

SOME OF CONTROL DATA’S SOCIAL ENTERPRISES

- Developing an array of computer-based learning programs for colleges, universities and self-paced learners
- Revitalizing entire urban neighborhoods and rural communities (City Venture and Rural Venture)
- Working with Chief Justice Warren Burger to create businesses and training opportunities in prisons
- Launching the first small business incubator in the country
- Developing some of the nation’s first corporate wind farms
- Operating mobile medical vans on a Native American reservation
- Using computer technology to herd Caribou beyond the Arctic Circle

**PRIVATE SECTOR SOCIAL ENTERPRISES
STARTED DURING THE 1970s (SELECTED LIST)**

- Adult day care centers
- Early childhood learning centers
- Low-income housing
- Vocational training and placement centers
- Home modification services
- Hospice care
- Outpatient mental health and rehab services
- Computer-based education programs for self-paced learners
- Alternative schools for potential high school dropouts
- Tutoring centers
- Private sector prisons
- Private sector universities
- Wind farms
- Psychiatric and substance abuse rehab centers
- Home care for the elderly

NONPROFIT SECTOR SOCIAL ENTERPRISE: FORERUNNERS

- **1844: Rochdale, England**

Suffering at the hands of exploitative factory owners and shopkeepers who charged extortionate prices, 28 working men scraped together a total of £28 to open their own shop

It was the beginning of the modern co-op movement



- **1884: Chicago**

Jane Addams Hull House

Jane Addams and Helen Gates Starr



Night school for adults, kindergarten classes, clubs for older children, **public kitchen (selling soups and stews)**, art gallery, coffeehouse, gymnasium, **coal cooperative**, girls club, swimming pool, **book bindery**, music school, drama group, library

- **1895: Boston**

Goodwill Industries

Rev. Edgar J. Helms



First thrift store: Collecting unwanted household goods and employing impoverished immigrants to repair and refurbish the items for resale -- revenue from the sales paid the workers' wages

THE NONPROFIT SECTOR PRIOR TO THE 1980s



***A few individual social entrepreneurs,
generally unknown to each other***

Top row: Edna Ruth Byler (Ten Thousand Villages), John DuRand (Minnesota Diversified Industries), Mimi Silbert (Delancey Street Foundation).

Second row: Hugh Westbrook and Esther Colliflower (Vitas Innovative Hospice Care), Bill Strickland (Manchester Bidwell Corporation), Jim McClurg (Northwest Center), Bill Kling (Minnesota Public Radio).

Third row: Richard Steckel (Denver Children's Museum), Earl Copus, Jr. (Melwood), Fazle Hasan Abed (BRAC), Ashoka Khosla (Development Alternatives Group), Margaret Cossette (Missouri Home Care).

Bottom row: Rev. William Lindner (left).



***Almost everything “under the radar”
... no books, no courses, no seminars***

Evolution of the social enterprise industry: 1980

ASHOKA: INNOVATORS FOR THE PUBLIC

Founded by Bill Drayton



Ashoka currently has programs in more than 60 countries and supports the work of more than 1,800 Fellows who have systemic changing ideas that are potentially sustainable and replicable, both nationally and globally. A total of 160 staff members serve in 25 regional offices throughout Africa, the Americas, Asia, Europe, the Middle East and North Africa. Financed by individuals,

foundations and business entrepreneurs from around the world, Ashoka does not accept funding from government entities. A \$50,000 annual budget in 1981 has grown today to more than \$30 million.

Important note: *The definition of “social entrepreneurship” pioneered by Ashoka and later adopted by Prof. J. Gregory Dees, the Skoll Foundation and others does not necessarily entail earned income – but does not exclude social enterprises.*



NEW VENTURES, INC.

Edward Skloot and Cynthia Massarsky

First consulting firm in the field (1980-1989)



FIRST INTERNATIONAL CONFERENCE

Convened by Richard Steckel

After converting the Denver Children’s Museum into a thriving social enterprise, Steckel invited a group of entrepreneurial colleagues from around the world to gather for peer support and to share lessons learned

Evolution of the social enterprise industry: 1982

PRIVATE SECTOR SOCIAL ENTERPRISE INTERNATIONAL CONFERENCE: “SOCIAL NEEDS AND BUSINESS OPPORTUNITIES”

*Co-sponsored by Control Data Corporation
and the American Academy of Arts and Sciences
in conjunction with Control Data’s 25th anniversary*

Conference coordinator: Jerr Boschee

A three-day conference attended
by more than 250 CEOs
from around the world



**PETER
DRUCKER**



**JOHN
KENNETH
GALBRAITH**



**SIR
CHARLES
VILLIERS**



**WILLIAM
C. NORRIS**

Enterprise in the Nonprofit Sector

By James C. Crimmins and Mary Keil

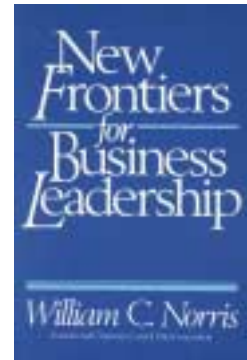
First book to contain
profiles of social enterprises
in the nonprofit sector

Evolution of the social enterprise industry: 1983

New Frontiers for Business Leadership

By William C. Norris

A collection of essays
by the founder
of the private sector
social enterprise movement



“Should Not-for-Profits Go into Business?”

Harvard Business Review

By Edward Skloot



The first article submitted over the transom
ever accepted by the *Harvard Business Review*

Evolution of the social enterprise industry: 1984

Nonprofit Piggy Goes to Market

***By Robin Simons,
Lisa Farber Miller
and Peter Lengsfelder***

Describing the experiences
of Richard Steckel
and the Denver Children’s Museum



Evolution of the social enterprise industry: 1984 (continued)

THE NATIONAL CENTER FOR SOCIAL ENTREPRENEURS

Founded by Contol Data Corporation (Bob Price, Sandy Bemis, James C. Worthy, Jerr Boschee), Illinois Bell (Jack Koten), Hospital Corporation of America (Gov. Winfield Dunn), Goldman Sachs (John C. Whitehead), Chemical Bank (Waite Rawls), Reader's Digest (George Gruen) and Venture Technologies (Bobby Ginn)

***Founding Chair: Judson (Sandy) Bemis
President and CEO: C. Douglas Ades
Vice-President and COO: Jerr Boschee (became President and CEO in 1991)***

The first nonprofit consulting firm in the field

Additional information about National Center activities appears throughout this document



PRICE



DUNN



KOTEN



RAWLS



WHITEHEAD

Public-Private Partnerships: New Opportunities for Meeting Social Needs

American Academy of Arts and Sciences

***Edited by Harvey Brooks,
Lance Liebman and Corinne Schelling***

The first academic anthology devoted to social enterprise; among others, contributors included Peter Drucker, Robert Reich, Orlando Patterson and William C. Norris

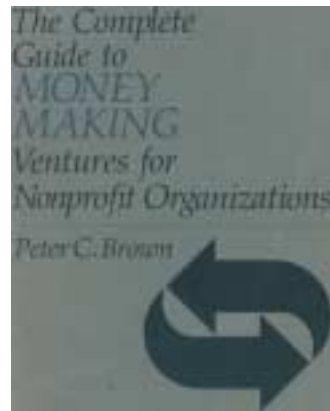


Evolution of the social enterprise industry: 1986

The Complete Guide to Money-Making Ventures for Nonprofit Organizations

By Peter C. Brown

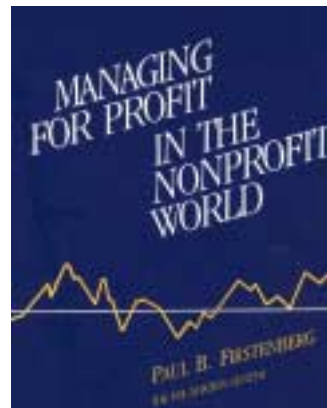
The first business planning guide for social enterprises



Managing for Profit in the Nonprofit World

By Paul Firstenberg

Published by The Foundation Center



The first extensive review of social enterprise strategies published by a Foundation

Evolution of the social enterprise industry: 1987

THE BEACON FUND

***Bob Faris, Charlie Lea,
Doug Ades, Jerr Boschee***



(National Center for Social Entrepreneurs)

First attempt to create a social enterprise venture capital fund: Secured \$12.5 million in commitments from major institutional investors (Chemical Bank, the Rockefeller family, Rupert Murdoch/News America Corporation, Reader's Digest, Control Data, Goldman Sachs and others) toward a \$20 million goal, but collapsed during the stock market crash during the fall of 1987

CHICAGO CONFERENCE

***Coordinators: Doug Ades and Jerr Boschee,
(National Center for Social Entrepreneurs)***

First formal gathering of social enterprises, convened to help the National Center develop services for others in the field

Something Ventured, Something Gained: A Business Development Guide for Non-Profit Organizations

By Laura Landy

Comprehensive business planning guide
for social enterprises



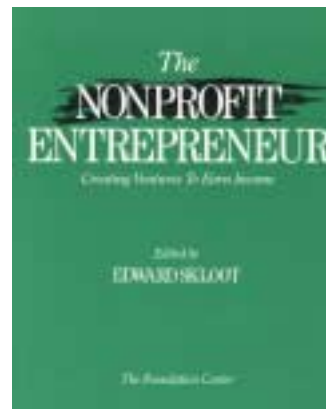
Evolution of the social enterprise industry: 1988

The Nonprofit Entrepreneur: Creating Ventures to Earn Income

Edited by Edward Skloot

Published by The Foundation Center

First anthology for practitioners:
Contained nine chapters,
each focusing on a specific aspect
of starting a social enterprise



Evolution of the social enterprise industry: 1989

THE AFFIRMATIVE BUSINESS ALLIANCE OF NORTH AMERICA

***Co-founded by John DuRand
and Jerr Boschee***

First membership organization
for social entrepreneurs;
DuRand served as Chair,
Boschee as President and CEO



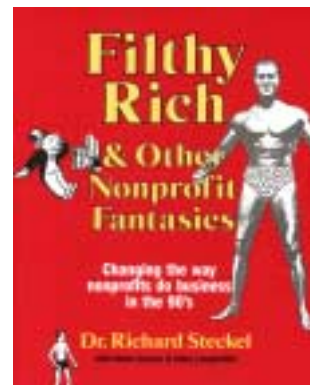
DURAND

The Alliance today is known as The Americas Group of Workability International,
which has members in more than 30 countries and collectively employs
more than 500,000 people who are disabled or disadvantaged

Filthy Rich & Other Nonprofit Fantasies: Changing the way nonprofits do business in the 90's

***By Richard Steckel,
with Robin Simons
& Peter Lengsfelder***

2nd edition published in 2000 as
*Filthy Rich: How to Turn Your
Nonprofit Fantasies into Cold, Hard Cash*



Evolution of the social enterprise industry: 1990

HOMELESS ECONOMIC DEVELOPMENT FUND

***George Roberts (Roberts Foundation):
\$6 million donation***

Executive Director: Jed Emerson



ROBERTS (left)



EMERSON

Eventually developed a portfolio of eight nonprofits that planned, launched and managed 23 business ventures employing formerly homeless men and women in the San Francisco Bay Area (also included a micro-enterprise program); later morphed into The Roberts Enterprise Development Fund in 1996; additional information about both Funds and their activities appears throughout this document

Evolution of the social enterprise industry: 1992

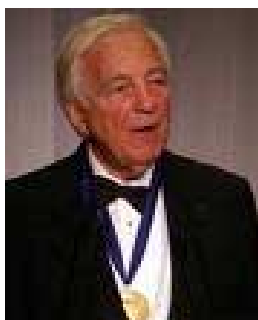
CHICAGO CONFERENCE

Gathering of social entrepreneurs organized by Jed Emerson of the Homeless Economic Development Fund and Gary Mulhair of Pioneer Human Services



MULHAIR

Evolution of the social enterprise industry: 1993



THE HARVARD BUSINESS SCHOOL SOCIAL ENTERPRISE INITIATIVE

***John C. Whitehead: \$10 million donation
Lead scholar: J. Gregory Dees***

First formal academic program in the field

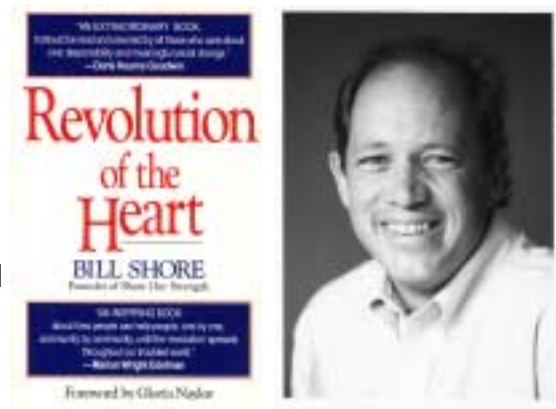


Evolution of the social enterprise industry: 1995

Revolution of the Heart

By Bill Shore

Best-selling book by the founder of Share Our Strength brought significant national attention to the field and introduced the concept of “community wealth ventures” to the general public



ENTREPRENEURIAL STRATEGIC PLANNING DEMONSTRATION PROJECTS

***Conducted by The National Center for Social Entrepreneurs
(Jerr Boschee, Jim Thalhuber, Mary Leonard)***

First large-scale, multi-year social enterprise consulting project (a four-year effort concluding in 1999): Nine communities and more than 60 nonprofits -- St. Louis, Milwaukee, Atlanta, New York, Orlando, Columbus, Memphis, Minneapolis/St. Paul and Seattle -- plus 11 state chapters of the National Endowment for the Humanities

Evolution of the social enterprise industry: 1996

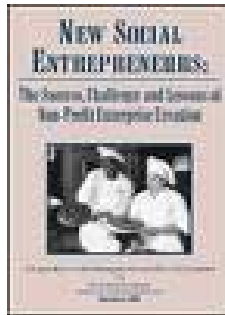
THE ROBERTS ENTERPRISE DEVELOPMENT FUND (REDF)

*Successor to the Homeless Economic Development Fund
launched in 1990 by the Roberts Foundation*

***George Roberts: Additional \$12 million donation
Executive Director: Jed Emerson***

Focused on helping eight nonprofits in the San Francisco Bay Area launch businesses to employ people who were homeless or had other barriers to employment

Evolution of the social enterprise industry: 1996 (continued)



New Social Entrepreneurs: The Success, Challenge and Lessons of Non-Profit Enterprise Creation

Edited by Jed Emerson and Fay Twersky

A 400-page report documenting the experience of the Homeless Economic Development Fund and offering initial thoughts about the nonprofit capital market, “social return on investment” (SROI) and related areas of interest. Also included five case studies and 17 case summaries of the social enterprises started from 1990-1996 by portfolio organizations supported by the Homeless Economic Development Fund.



BILL STRICKLAND RECEIVES MCARTHUR FOUNDATION “GENIUS AWARD”

Founder of Manchester Bidwell Corporation in Pittsburgh is the first social enterprise practitioner recognized by the McArthur Foundation

Evolution of the social enterprise industry: 1996-7

CREATING COMMUNITY WEALTH SYMPOSIUMS: “Redefining Civic Responsibility in the New Millenium”

Share Our Strength founder and CEO Bill Shore twice brings together more than 50 leaders in the field to imagine the future of social enterprise



Evolution of the social enterprise industry: 1997

“Virtuous Capital: What Foundations Can Learn from Venture Capitalists”

Harvard Business Review

By Christine W. Letts, William Ryan and Allen Grossman

Influential essay helps spawn the “venture philanthropy” movement



LETTIS



RYAN



GROSSMAN



SOCIAL VENTURE PARTNERS (SVP)

Founded by Paul Brainerd

Retired MicroSoft executive creates first SVP chapter in Seattle



COMMUNITY WEALTH VENTURES

Founder: Bill Shore
Executive Director: Gary Mulhair



Share Our Strength for-profit consulting subsidiary advising nonprofits, Foundations and corporations

Evolution of the social enterprise industry: 1997 (continued)

NONPROFIT ENTERPRISE SELF-SUSTAINABILITY TEAM (NESsT)

Founders: Lee Davis and Nicole Etchart



First consulting firm to focus
on social enterprises
in Central Europe
and South America



SOCIAL ENTERPRISE DIALOGUE

Organized and hosted by Richard Steckel

Second international gathering convened by Steckel
(Colorado Springs)



Evolution of the social enterprise industry: 1998

Merging Mission and Money: A Board Member's Guide to Social Entrepreneurship

***Publisher: National Center for Nonprofit Boards
(known today as BoardSource)***

Author: Jerr Boschee

First introduction to the field
written expressly for Board members;
included "The Mission/Money Matrix"®



Evolution of the social enterprise industry: 1998 (continued)

**THE NATIONAL GATHERING FOR SOCIAL ENTREPRENEURS
(Colorado Springs)**

***Co-founded by Jerr Boschee, Jed Emerson, Gary Mulhair,
John Riggan, Bill Shore and Richard Steckel***

Lead funders: Roberts Enterprise Development Fund, Annie E. Casey Foundation

***Staffed by The National Center for Social Entrepreneurs (Jerr Boschee,
Jim Thalhuber, Mary Lenard, Rolfe Larson, Jan Cohen, Andy Horsnell, Carol Olin)***

Theme: “Strategies for Creating Community Wealth: A National Gathering”

Participants: A total of 182 people (92 nonprofit representatives, 19 grantmakers, 16 investors, 47 management assistance providers, six academics, one for-profit company and one public sector representative)



BOSCHEE



EMERSON



MULHAIR



RIGGAN



SHORE



STECKEL

STERLING COLLEGE UNDERGRADUATE DEGREE PROGRAM

Sterling, Kansas

First undergraduate degree program in social enterprise

President: Dr. Ed Johnston

STANFORD UNIVERSITY

J. Gregory Dees leaves Harvard to become Miriam and Peter Haas Centennial Professor in Public Service and formally introduce social enterprise to the West Coast academic community



Evolution of the social enterprise industry: 1998 (continued)

**“ENTERPRISING NONPROFITS:
What do you do when traditional
sources of funding fall short?”**

Harvard Business Review

By J. Gregory Dees

In this article, Prof. Dees introduced the five precepts that have defined the larger field of social entrepreneurship ever since:



“Adopting a mission to create and sustain social value, not just private value; recognizing and relentlessly pursuing new opportunities to serve that mission; engaging in a process of continuous innovation, adaptation and learning; acting boldly without being limited by resources currently in hand; and exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created.”

He did not include earned revenue or earned income as a necessary prerequisite (*please see 2003 response by Jerr Boschee and Jim McClurg*).

Evolution of the social enterprise industry: 1999

THE DENALI INITIATIVE

Conceived by Bill Strickland

Designed by Greg Dees and Donnie Day Pomeroy

Executive Director: Donnie Day Pomeroy

Funded by The Ewing Marion Kauffman Foundation and the Ford Foundation



A national series of 18-month projects over a five-year period that took more than 50 nonprofits through an intensive business planning process

SOCIAL FIRMS UK

Executive Director: Gerry Higgins

First membership group for affirmative businesses in the United Kingdom



Evolution of the social enterprise industry: 1999 (continued)

SEA-CHANGE (Social Entrepreneurs Allied for Change)

Executive Director: Jim Pitofsky

National social enterprise consulting firm
funded primarily by dot.com companies
(please see 2003 Kellogg Foundation report)



The Cathedral Within: Transforming Your Life by Giving Something Back

***Second national bestseller
by Bill Shore***

Includes case studies of social enterprises
and other pathfinding organizations



FIRST TBLI CONFERENCE (“Triple Bottom Line Investing”)

Organized by Brooklyn Bridge

Executive Director: Robert Rubinstein

Today TBLI conferences take place twice each year,
during May in Asia and during November in Europe

Most participants are investors seeking to place value on a company’s
environmental, social and governance practices; in recent years,
they have also begun looking at the investment potential of social enterprises

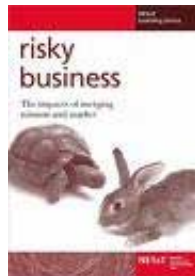
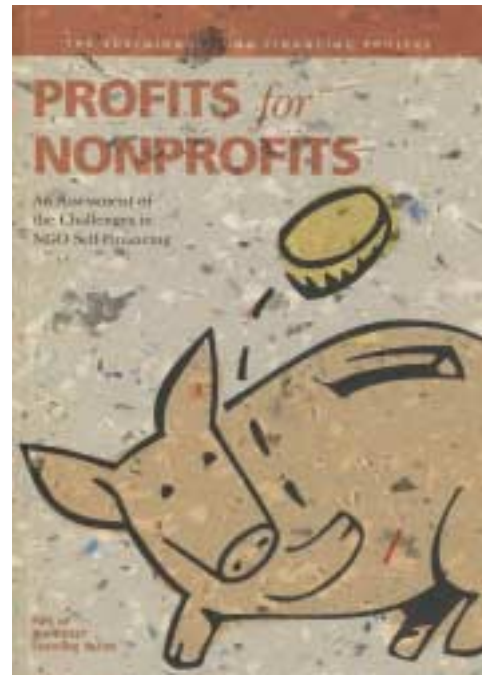


Evolution of the social enterprise industry: 1999 (continued)

***PROFITS for NONPROFITS:
An Assessment of the Challenges
in NGO Self-Financing***

By Lee Davis and Nicole Etchart

First of many subsequent publications
produced and distributed by NESsT



***Unleashing New Resources
and Entrepreneurship
for the Common Good:
A Scan, Synthesis
and Scenario for Action***

Published by The W. K. Kellogg Foundation

Written by Thomas K. Reis and Stephanie J. Clohesy



A seminal study of the field as it neared the new millennium

Evolution of the social enterprise industry: 1999 (continued)

***“The new landscape for nonprofits:
The entry of for-profits into social services
raises fundamental questions
about the mission and future of nonprofits”***

Harvard Business Review

By William P. Ryan

A wake-up call for the sector



THE INSTITUTE FOR SOCIAL ENTREPRENEURS

Founded by Jerr Boschee

First international consulting firm
in the field of social enterprise

***REDF Box Set:
Social Purpose Enterprises
and Venture Philanthropy
in the New Millennium***



The Roberts Enterprise Development Fund and its portfolio members produced a three-volume set to answer three questions. First, practitioners within social purpose enterprises were asked, “If you were starting out again, what would you be interested in learning about and what do you wish you had known?” (*Volume 1: Practitioner Perspectives*). Then, REDF staff and partners provided candid answers to the question, “What is REDF’s approach to venture philanthropy?” (*Volume 2: Investor Perspectives*). Lastly, Teresa Moore tackled the question, “Who is the successful social entrepreneur?” (*Volume 3: Practitioner Profiles*).

Evolution of the social enterprise industry: 2000

npEnterprise.org

Founded by Rolfe Larson and Andy Horsnell

First listserv in the field;
by 2008, more than 5,000 members



2nd NATIONAL GATHERING FOR SOCIAL ENTREPRENEURS (followed by formal incorporation of the National Gathering)

Planning team: Kelvin Sealey, Jerr Boschee, Charles King
Founding Chair: Charles King



SEALEY



BOSCHEE



KING

A Reader in Social Enterprise

***Editors: Kelvin Shawn Sealey,
Jerr Boschee, Jed Emerson, Wendy A. Sealey***

Distributed at the 2nd National Gathering,
this anthology assembled 20 previously published
articles and essays about social enterprise



Evolution of the social enterprise industry: 2000 (continued)

VIRTUE VENTURES

*New international consulting firm
founded by Kim Alter*



Managing the Double Bottom Line: A Business Planning Reference Guide for Social Enterprises

Published by Save the Children

Written by Kim Alter



The Nature of Returns: A Social Capital Markets Inquiry into Elements of Investment and the Blended Value Proposition

Written by Jed Emerson

Preliminary analysis of the nature and need for “social capital markets”

SROI REPORTS

***Prepared and published by the Roberts
Enterprise Development Fund (REDF)***

A set of publications calculating
the “social” return on investment” (SROI)
for each of its portfolio enterprises



Evolution of the social enterprise industry: 2001-2

ANNUAL REPORTS ABOUT THE STATE OF VENTURE PHILANTHROPY

*Published by The Morino Institute,
Venture Philanthropy Partners
and Community Wealth Ventures*



MARIO
MARINO



Evolution of the social enterprise industry: 2001

U.K. DEPARTMENT OF TRADE AND INDUSTRY SOCIAL ENTERPRISE UNIT

Prime Minister Tony Blair creates a Social Enterprise Unit within the U.K.'s Department of Trade and Industry, which is headed by Patricia Hewitt

Barbara Phillips is named first director of the Social Enterprise Unit

Jerr Boschee becomes an advisor to the unit and during the next four years delivers seminars, workshops and consulting sessions in all nine regions of England plus Wales, Scotland and Northern Ireland



BLAIR



HEWITT



PHILLIPS



BOSCHEE

Evolution of the social enterprise industry: 2001 (continued)

SOCIAL CAPITAL PARTNERS (Canada)

Founded by Bill Young

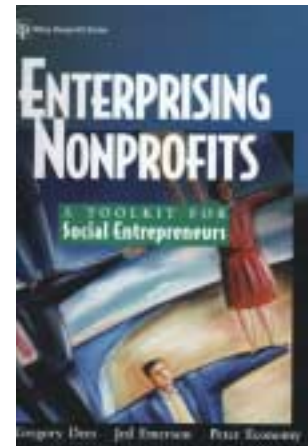
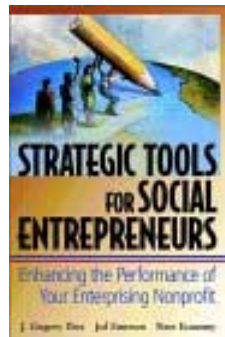
Provides financing and technical assistance to Canadian social enterprises



Enterprising Nonprofits: A Toolkit for Social Entrepreneurs

***Edited by J. Gregory Dees,
Jed Emerson
and Peter Economy***

Followed in 2002
by *Strategic Tools
for Social Entrepreneurs:
Enhancing the Performance
of Your Enterprising Nonprofit*

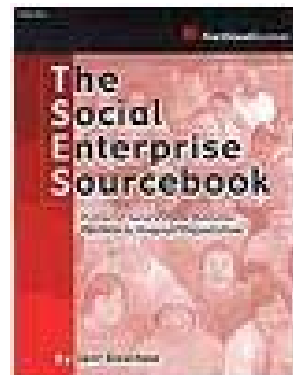


The Social Enterprise Sourcebook

Published by The Northland Institute

Written by Jerr Boschee

*Journalistic profiles of 14 nonprofits
that successfully started social enterprises*



Evolution of the social enterprise industry: 2001 (continued)

SOCIAL ENTERPRISE COALITION

Founding Chair: Baroness Glenys Thornton

Chief Executive: Jonathan Bland

*First membership organization
for social entrepreneurs
in the United Kingdom*



THE SOCIAL ENTERPRISE FUND

***Co-founders: Jerr Boschee,
Frank Bennett, Jim McClurg***

Second attempt to start
a venture capital firm
serving social enterprises

Scuttled by 9/11 and collapse
of the dot.com boom



MCCLURG

Evolution of the social enterprise industry: 2002

PITTSBURGH SOCIAL ENTERPRISE ACCELERATOR

Founder: Tim Zak

Providing technical assistance and links to financing
for social enterprises in the Greater Pittsburgh Area

By 2008, the Accelerator portfolio had grown to 45 enterprises

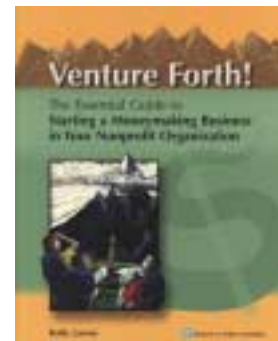


Evolution of the social enterprise industry: 2002 (continued)

Venture Forth: The Essential Guide to Starting a Moneymaking Business in Your Nonprofit Organization

Publisher: Wilder Books

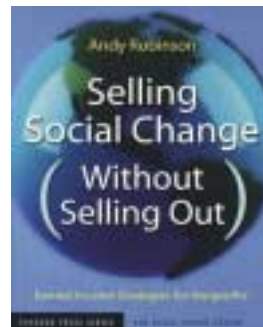
Written by Rolfe Larson



Selling Social Change (Without Selling Out)

Published by Chardon Press

Written by Andy Robinson



STUDENTS FOR THE ADVANCEMENT OF GLOBAL ENTREPRENEURSHIP (SAGE)

Founder: Curt DeBerg



“A global community of teenage entrepreneurs sharing a common purpose – to make the world a better place”

By 2008, more than 20 countries had become members



2007 WORLD CUP WINNERS FROM NIGERIA

Evolution of the social enterprise industry: 2002 (continued)

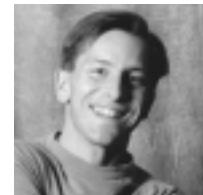
SOCIAL ENTERPRISE ALLIANCE

***Created by a merger between
The National Gathering
for Social Entrepreneurs
and Sea-CHANGE***

Chair: Charles King

Executive Director: Beth Bubis

Senior Staff: Jim McClurg and Jim Pitofsky



McCLURG

PITOFSKY

SOCIAL ENTERPRISE (U.K.)

Editor: Tim West

First magazine devoted entirely to social enterprise

Evolution of the social enterprise industry: 2003

THE PARTNERSHIP ON NONPROFIT VENTURES

***Coordinated by Cynthia Massarsky
and Samantha Beinhacker***



***Sponsored by The Goldman Sachs Foundation,
The Pew Charitable Trusts and The Yale School of Management***

A national social enterprise business planning competition that for three years running brought 20 finalists to New York and distributed more than \$500,000 in prizes. Graduates of the Yale School of Management provided *pro bono* consulting services to each of the 20 finalists.



S. BEINHACKER



C. MASSARSKY

Evolution of the social enterprise industry: 2003 (continued)

FIRST GRANTSMANSHIP CENTER WORKSHOPS

Instructors: Rolfe Larson, Andy Horsnell

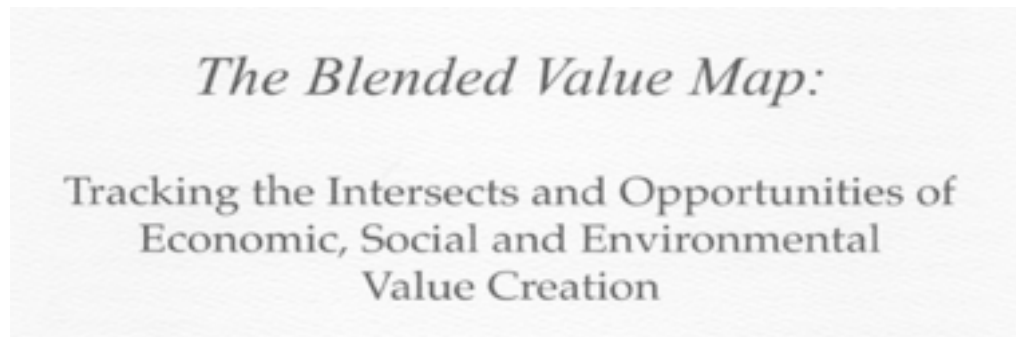
An ongoing series of social enterprise workshops across the country that have continued to this day
(taught by the founders of npEnterprise.org)



The Blended Value Map: Tracking the Intersects and Opportunities of Economic, Social and Environmental Value Creation

Written by Jed Emerson

A seminal essay attempting to blend social and financial returns into a single “value” to help investors better compare one social enterprise to another



FUNDING THEM TO FISH

***Co-sponsored by the Social Enterprise Alliance,
Grantmakers for Effective Organizations,
UPS Foundation and Sundance Village***

First national gathering devoted exclusively to Foundations and other funders interested in social enterprise – more than 50 participated

Evolution of the social enterprise industry: 2003 (continued)

**THE NATIONAL URBAN LEAGUE
ECONOMIC OPPORTUNITY INSTITUTE**

Milton Little, Chief Operating Office, National Urban League

Maria Black, Founding Director of the Institute

Lead consultants/trainers: Jerr Boschee, Jim McClurg

Lead funder: Prudential



First national nonprofit association to create a division specifically focused on helping its members develop social enterprises

The initial week-long training session took place in 2003 at George Mason University for the CEOs of 25 NUL affiliates (see photo), with a second session in 2006 at Clark Atlanta University for the CEOs of 18 affiliates. Each training session has been followed by three years of additional support services for the participating affiliates.



socialedge.org

Created by the Skoll Foundation

Second major listserv developed for the field



***Building an Organization to Last:
Reflections and Lessons Learned from SEA-Change***

Prepared by The W. K. Kellogg Foundation

A candid look at the reasons for the failure of SEA-Change and its subsequent absorption into the Social Enterprise Alliance

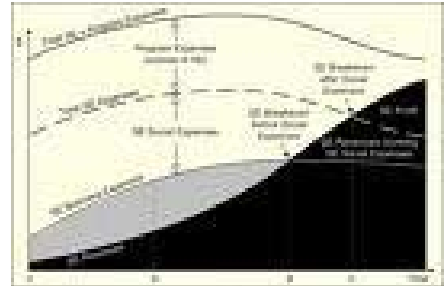
Evolution of the social enterprise industry: 2003 (continued)

Social Enterprise: A Typology of the Field Contextualized in Latin America

Written by Kim Alter

Sponsored by the Inter-American Development Bank

A seminal look at the field of social enterprise, with an international perspective



“Toward a Better Understanding of Social Entrepreneurship”

By Jerr Boschee and Jim McClurg

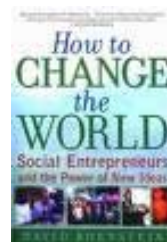
Published online

A response from two leaders in the field of social enterprise to J. Gregory Dees’s 1998 essay that defined “social entrepreneurship” without including any mention of earned revenue or earned income.

Evolution of the social enterprise industry: 2004

How to Change the World: Social Entrepreneurs and the Power of New Ideas

By David Bornstein



International bestseller that put the concept of “social entrepreneurs” on the map. Although Bornstein’s definition of “social entrepreneur” is much broader than those who start social enterprises, his book changed the tenor and direction of the discussion and was re-issued in 2008.

Evolution of the social enterprise industry: 2004 (continued)

THE SKOLL WORLD FORUM ON SOCIAL ENTREPRENEURSHIP

Funded by Jeff Skoll

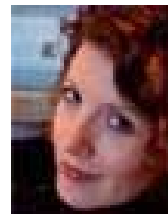
Organized by Alex Nicholls and Rowena Young



E-Bay co-founder Jeffrey Skoll endows a Chair in social entrepreneurship at Oxford and funds a World Forum attended by people from more than 20 countries. The 5th World Forum in March 2008 had more than 700 attendees. The Skoll Forum focuses on the broader definition of social entrepreneurship but does not exclude social enterprises. Among the keynote speakers during the first five years of the Forum were President Jimmy Carter, Vice President Al Gore and Nobel Peace Prize winner Dr. Muhammad Yunus.



NICHOLLS



YOUNG



SKOLL

“SOCIAL CAPITALIST” AWARDS

First annual awards presented by Fast Co. magazine

Lead editor: Cheryl Dahle

Since 2004, the magazine has presented the awards to at least 20 organizations each year



Evolution of the social enterprise industry: 2004 (continued)

The Social Enterprise Reporter

Editor and publisher: Tom White

First online magazine devoted exclusively to social enterprise

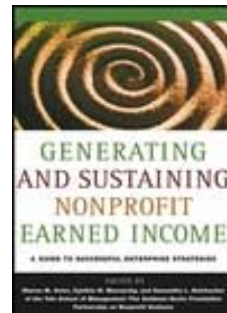


VANCOUVER SOCIAL ENTERPRISE FORUM

Monthly gatherings of business and nonprofit leaders discussing social enterprise strategies, metrics and stakeholder engagement (plus a global weblog)

Generating and Sustaining Nonprofit Earned Income: A Guide to Successful Enterprise Strategies

Edited by Sharon Oster, Cynthia W. Massarsky and Samantha L. Beinhacker



S. BEINHACKER



C. MASSARSKY

Lessons learned from the social enterprises competing in the Goldman Sachs/Pew Charitable Trusts/Yale School of Management national business planning competitions

Double Bottom Line Project Report: Assessing Social Impact in Double Bottom Line Ventures (Methods Catalog)

***Written by: Catherine Clark, Columbia Business School
William Rosenzweig, Haas School of Business
David Long, Abt Associates
Sara Olsen, SVT Consulting***

With support from The Rockefeller Foundation

A comprehensive analysis of nine different approaches to measuring SROI (“social return on investment”), with concrete examples (http://www.riseproject.org/DBL_Methods_Catalog.pdf)

Evolution of the social enterprise industry: 2005

COMMUNITY INTEREST COMPANIES (CICs)



British legislation creating a new form of corporate entity that enables social enterprises to play in the capital markets and allows social investors to receive a financial return from their investments in voluntary and community organizations; 1,400 social enterprises had filed for CIC status by 2008

JIM FRUCHTERMAN RECEIVES MCARTHUR FOUNDATION “GENIUS AWARD”



Pioneer in using technology to benefit people who are disabled is the second social enterprise practitioner to receive the annual McArthur Foundation grant, following Bill Strickland’s selection in 1996



SOCIAL ENTERPRISE DAY

Organized by the Social Enterprise Coalition

First annual gathering of social enterprises in the United Kingdom

Evolution of the social enterprise industry: 2005 (continued)

BUSINESS PLAN PRO: The Social Enterprise Edition

Producer: Jim McClurg

Publisher: Social Enterprise Alliance

First interactive, digital business planning guide designed specifically for social enterprises



Evolution of the social enterprise industry: 2006

NOBEL PEACE PRIZE: DR. MUHAMMAD YUNUS

Founder of Grameen Bank,
the first micro-finance organization



LOUISIANA OFFICE OF SOCIAL ENTREPRENEURSHIP

***Prime movers: Lt. Gov. Mitch Landrieu
and social enterprise consultant Andrew Wolk***

First state to establish
an office dedicated to social entrepreneurship



WOLK



LANDRIEU

Evolution of the social enterprise industry: 2006 (continued)

Social Entrepreneurship: New Models of Social Change

Editor: Alex Nicholls

Publisher: Oxford University Press



First anthology concentrating exclusively on social enterprise; dedicated primarily to the academic market

Migrating from Innovation to Entrepreneurship: How Nonprofits are Moving toward Sustainability and Self-Sufficiency

By Jerr Boschee



Axiom Awards Bronze Medal winning book describes the basic principles and critical success factors associated with social entrepreneurship. Also includes ***A Practical Lexicon for Social Entrepreneurs*** that defines more than 80 key terms, many in the form of mini-tutorials; a bibliography of print publications; and a list of annotated links to online resources.

SOCIAL ENTERPRISE INSTITUTE

Founded by Mark Van Ness

Executive Director: Dave McDonough



VAN NESS



MCDONOUGH

First “CEO Clubs” for social enterprises; by 2008 had grown to include ten sites in California involving more than 115 members

Evolution of the social enterprise industry: 2006 (continued)

SOCIAL ENTERPRISE LOAN FUND

Founder: Mark Van Ness

First comprehensive loan fund dedicated to social enterprises

Research on Social Entrepreneurship: Understanding and Contributing to an Emerging Field

Publisher: ARNOVA
(Association for Research
on Nonprofit Organizations
and Voluntary Action)



Editor: Rachel Mosher-Williams



Comprehensive scan of past and recommended research in the field

“THE GREAT DEBATE” RESOLVED

The historical confusion about the definition of “social entrepreneurship” has been called “The Great Debate” by faculty members at the University of Oxford. Prof. J. Gregory Dees defined the term in his 1998 *Harvard Business Review* essay without including earned revenue or earned income as a prerequisite; Jerr Boschee and Jim McClurg responded in 2003 by labeling them a necessity.

An essay by Dees and Beth Battle Anderson in 2006 called for a resolution of the issue by suggesting that the competing definitions be referred to as the “social innovation school” and the “social enterprise school.” Boschee endorsed the suggestion in a subsequent essay and further recommended that henceforth “social entrepreneurship” be used as an umbrella term encompassing both schools.

Evolution of the social enterprise industry: 2006 (continued)

VICE-PRESIDENT AL GORE PREMIERES *An Inconvenient Truth* AT THE SKOLL WORLD FORUM

Producer: Participant Productions (Jeff Skoll)

Vice-President Gore's dramatic film later wins the Academy Award and is used by thousands of volunteers worldwide to spread the message of global warming



Evolution of the social enterprise industry: 2007

GOOD CAPITAL

***Co-founders: Kevin Jones,
Tim Freundlich, Joy Anderson***



JONES



FREUNDLICH



ANDERSON

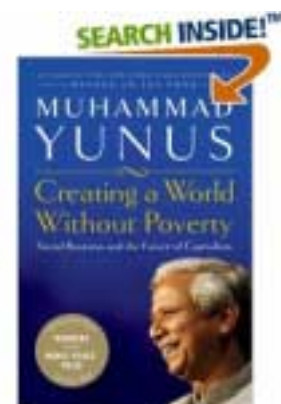
Third attempt to create a venture capital fund devoted exclusively to social enterprises (following failed efforts in 1987 and 2001 by the Beacon Fund and the Social Enterprise Investment Fund); first closing (\$7.5 million) and initial investment announced in March 2008; ultimate goal is \$30 million



Creating a World Without Poverty

By Muhammad Yunus

Booklist: "The influential economist and winner of the 2006 Nobel Peace Prize outlines his vision for a new business model that combines the power of free markets with the quest for a more humane world."



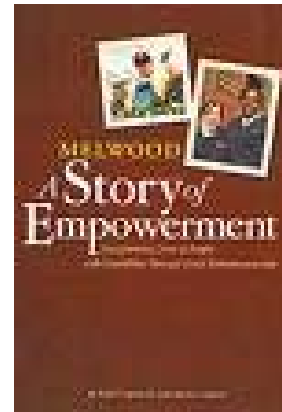
Evolution of the social enterprise industry: 2007 (continued)

Melwood

By Earl Copus, Jr.



An autobiographical history of one of the country's leading social enterprises: During a 40-year career, Copus built Melwood into a \$71 million nonprofit business empowering people with developmental disabilities.



SOCIAL ENTERPRISE INVESTMENT FUND (U.K.)

\$100 million fund established by the U.K. government for investment in social enterprises

Nothing Ventured, Nothing Gained: Addressing the Critical Gaps in Risk-Taking Capital for Social Enterprise

Published by Saïd Business School (Oxford University)

***Written by Jed Emerson, Tim Freundlich and Jim Fruchterman
(with Loren Berlin and Keely Stevenson)***

An overview and analysis of funding gaps within the social enterprise arena, with recommendations

**THE ARTHUR BOSCHEE
AND EVELYN BALL
INTERNATIONAL AWARDS
FOR SOCIAL ENTERPRISE**

***Funded by Jerr Boschee, Linda Ball,
Ken Boschee, Jean Boschee,
Christopher Klose and Claudine Klose***



A new set of awards to be presented annually at the World Cup competition sponsored by SAGE (“Students for the Advancement of Global Entrepreneurship”) to the businesses started by high school students that best integrate social and financial objectives

The 2007 Gold Medal winning team (pictured here with Jerr Boschee) came from the Philippines, the Silver Medal winners from China and the Bronze Medal winners from Russia

***“Social Entrepreneurship and Government:
A New Breed of Entrepreneurs
Developing Solutions to Social Problems”***

By Andrew Wolk

Wolk’s chapter in the Small Business Administration’s annual report to the President of the United States offers a comprehensive introduction for city, state, and federal government officials to the field of social entrepreneurship and the work to date. It incorporates insights from experts in the field and case studies of eight successful social-entrepreneurial initiatives to address three questions: (1) What is social entrepreneurship? (2) How does social entrepreneurship help government benefit Americans? (3) How is government currently supporting social-entrepreneurial initiatives?



Evolution of the social enterprise industry: 2008

SOCIAL ENTERPRISE WORLD FORUM

Co-sponsors: Scottish Enterprise, Social Enterprise Alliance (U.S.), Social Enterprise Coalition (U.K.), Social Ventures Australia

Coordinators: CEiS (Chief Executive: Gerry Higgins)



First formal international conference exclusively for social enterprises

THE INNOVATION EXCHANGE

Chair: Baroness Glenys Thornton

The U.K. government's new program is charged with bringing innovators from the public and voluntary sectors together with social investors to solve social problems. The three-year, \$2.4 million pilot program will promote collaboration and provide tailored support for organizations with the most promising ideas.



SOCIAL STOCK EXCHANGE

Feasibility study seeded by The Rockefeller Foundation

Rockefeller contributes \$500,000 to studying the viability of a "social stock exchange" in the United Kingdom. The market would allow investors to trade shares in projects that seek to preserve the environment, such as clean technology, and that promote health care, aid for the poor, or other social goals. If there is sufficient demand, the market will be launched in 2009.

LOW-PROFIT LIMITED LIABILITY COMPANY (L3C)

Sponsors: Mary Elizabeth and Gordon B. Mannweiler Foundation, Council on Foundations, and the legal firm of Caplin & Drysdale

The North Carolina state legislature has been asked to approve a new type of limited liability corporation called an L3C that will allow Foundations, individuals, government agencies, nonprofits and private sector companies to invest in social enterprises, with Foundations taking the bulk of the risk (feasibility studies are also underway in several other states).