The diversity of social enterprise models: New dynamics at the heart and on the borders of the social economy

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RECMA Volume 364, Issue 2, April 2022, pages 80 to 97

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Résumé

Le Projet de recherche ICSEM (« International Comparative Social Enterprise Model »), mené de 2013 à 2019, a eu pour objectif d'identifier et de comparer les modèles d'entreprises sociales à travers le monde. Sur la base d'un cadre analytique original, quatre modèles principaux d'entreprise sociale ont été identifiés puis ont été confortés par une base de données ICSEM constituée grâce à une enquête dans 43 pays. Il apparaît ainsi que l'existence de trois des quatre modèles, i.e. la coopérative sociale, « l'associatif entrepreneurial » et le « social business », est fortement soutenue par l'analyse empirique dans presque tous les pays étudiés. Par ailleurs, des spécificités régionales significatives apparaissent notamment, pour l'Europe de l'Ouest.

Abstract

The aim of the ICSEM (International Comparative Social Enterprise Models) research project, implemented between 2013 and 2019, was to identify and compare social enterprise models around the world. Based on an original analytical framework, four main social enterprise models have been identified and then confirmed by an ICSEM database built up through a survey conducted in 43 countries. Thus, the existence of three of the four models—namely the social cooperative model, the entrepreneurial non-profit model, and the social business model—appears to be strongly supported by the empirical analysis in almost all surveyed countries. Furthermore, significant regional specificities emerge, notably, in Western Europe.

Most of those who were making use of the concepts of social entrepreneurship and social enterprise in the early 2000s could never have imagined the extraordinary success these concepts would come to enjoy. Indeed, their usage is now widespread in most parts of the world. After going almost unnoticed for their first decade (the 1990s), research communities dedicated to these concepts began to emerge on both sides of the Atlantic, then spreading out to Central and Eastern Europe, most of East Asia, including China, as well as India, Australia, Israel, and various Latin American countries.

In Europe, it seems clear that social enterprise owes much to the success of social cooperatives, which emerged in Italy in 1991, as well as to the policy of promoting social enterprise implemented by the British government since 2002 (Borzaga and Defourny 2001). However, many people acknowledge that these concepts are directly related to various approaches that seek to emphasize the existence of a third sector, going beyond the classic distinction between a private for-profit sector and a public sector. The terms used to describe this third sector may vary: non-profit sector, voluntary and community sector, social economy, solidarity economy, etc. Above all, the social enterprise approach and the analytical potential it yields should be seen as a means of enriching existing conceptions.

Numerous definitions of social enterprise have been put forward, but none of them have achieved a consensus (Borzaga and Defourny 2001). For this reason, we will examine the recent contributions of a major research program, launched in 2013 under the title International Comparative Social Enterprise Models (ICSEM) project.[1] First, we will briefly outline the major stages of this project. We will then examine the construction of an analytical framework enabling the identification of four main social enterprise models that can be found in many countries and regions around the world. We will then compare these models with the empirical data collected for Western Europe in order to better identify the specific features of social enterprises in this part of the world. Finally, we will conclude with some of the challenges that social enterprises face and that need to be addressed to provide them with a truly supportive ecosystem.

[1] This project, which was carried out under the auspices of the EMES International Research Network, was supported by a number of institutions, such as the Fondation Crédit Coopératif and the Groupe CDC in France, the Belgian Science Policy Office (BELSPO) and the Baillet-Latour Fund in Belgium, as well as the COST (European Cooperation in Science and Technology) program of the European Union (COST Action 16206 "Empowering the next generation of social enterprise scholars" - Empower-SE).

The ambition and originality of the ICSEM project

The ICSEM project is a large-scale research project combining inductive and deductive approaches as well as qualitative and quantitative methodologies to identify and compare social enterprise models around the world. A major feature of ICSEM is that it has refrained from imposing a priori a strict and precise definition of social enterprise, and instead has deployed a common methodological framework, referring to social enterprises broadly as organizations that combine an entrepreneurial drive to provide services or goods with a primary focus on social objectives. Within this broad framework, it was left to each "national" team to define the boundaries of the social enterprise phenomenon in their specific context. Up to the end of 2020, 230 researchers from 55 countries were involved in this project, which had three main phases:

- **Phase 1** (2013–2015): preparing monographs at the national level, which involved two parts: gaining a deeper understanding of the national context and the concepts in use; and an attempt to categorize the types of social enterprises observed.
- **Phase 2** (2016–2017): drafting an analytical framework to capture both the essential features and the diversity of social enterprise models; conducting a joint survey of social enterprise managers considered emblematic or representative of the different categories of social enterprises identified in the previous phase; and building an integrated database on more than 700 social enterprises from 45 countries. It should be noted that the sample on which the data collection was based was in no way representative of all social enterprises around the world. Indeed, not only was the distribution between continents particularly uneven, with Africa virtually absent, but, even more fundamentally, the total number of social enterprises worldwide is simply unknown since there is no universally recognized definition of social enterprise. The objective here was to identify and compare models at the international level.
- **Phase 3** (2018–2020): statistical analysis of this international database to test the relevance of the "theorized" models for different regions around the world; analysis of social enterprise models in terms of the dimensions covered by the survey: origin, context of creation, types of production, social mission, financial model, governance, allocation of any profits, comparative analysis of the institutional issues faced by social enterprises.

The foundations of an analytical framework

As expected, the researchers involved in the ICSEM project highlighted the existence of a wide variety of social enterprises in their respective countries, which they attempted to categorize in a way that suggests a wide variety of "models." From there, we developed an analytical framework based on two major dimensions that were connected in order to propose a limited number of social enterprise models. Without denying the existence of the many hybrid models observable in the field, the two privileged dimensions are the following: first, the "principles of interest," to capture the major "driving forces" that can be observed in an economy and that refer to the configuration of property rights in any given type of enterprise (Hansmann 1996); second, the types of economic resources that can be mobilized to develop an economic activity (Defourny and Nyssens 2017a).

Three principles of interest

Looking at all possible forms of enterprise (in the broadest sense), Gui (1991) argues that the social economy is composed of two major types of entities, namely "mutual interest organizations" and "general interest organizations."

In any type of organization, Gui argues, it is possible to identify, on the one hand, a "dominant category" made up of those who hold the "residual" (ultimate) decision-making power, particularly regarding the allocation of "residual surplus," and, on the other hand, a "beneficiary category" made up of those to whom this residual surplus accrues. "Mutual interest organizations" are those in which these two categories come together. This first major component of the social economy includes cooperatives and associations that primarily serve the interests of their members. The second major component, "general interest organizations," corresponds to organizations in which the beneficiary category is distinct from the dominant category: these are associations that are controlled by their members but that aim to serve people (known as "beneficiaries") other than the members. More generally, this includes all so-called philanthropic or charitable organizations, provided that we consider that these somewhat dated qualifiers include all associations and foundations whose activity is of public interest: initiatives for the protection of the environment, for the fight against social exclusion, for development cooperation, etc.[2]

These distinctions lead one to consider the existence of three major drivers or "principles of interest" within the economy as a whole: general interest (GI), mutual interest (MI), and capital interest (CI). Defourny and Nyssens (2017a) propose that these be represented as the vertices of a triangle, in which mixes of principles can be represented along the sides (see Figure 1).

Traditional cooperatives and mutual interest associations will naturally be placed near the vertex corresponding to mutual interest (the lower left-hand corner of the diagram). By contrast, associations pursuing a general interest goal, in the sense defined by Gui, will logically be located near the angle corresponding to general interest (i.e., the upper corner), but not necessarily at the vertex itself, insofar as their general interest (for the target group or community they serve) is generally not as broad as the form of general interest that is supposed to be guaranteed and provided by the state.

The lower right-hand corner, which corresponds to capital interest in our diagram, is obviously occupied by capitalist companies (FPOs, standing for "for-profit organizations"), owned by shareholders/investors. However, these companies

[2] It goes without saying that all public organizations and institutions are also typically general interest organizations, but naturally they belong to the public sector and not to the social economy.

sometimes develop their own social or societal responsibility strategies, which leads us to place them a little higher on the right side of the triangle.

The base of the triangle, on the other hand, represents a continuum between two opposing ways of dealing with capital, particularly in terms of the allocation of profits. In a cooperative, the search for profit is instrumental, in the sense that it serves to develop the productive activity, which is the primary objective. An interest or dividend can remunerate the shares of the cooperative members, but it is subject to a strict cap. In addition, the bulk of the profits is generally allocated to collective reserves, which are themselves protected by an “asset lock” that prevents the assets accumulated by the cooperative from being used for personal enrichment.

The types of resources mobilized: What is the relationship with the market?

Much of the literature and discussion on social enterprises presents their reliance on market activities as a distinguishing feature. Perhaps the most concise definition of social enterprise is as “a market solution to a social problem” (Austin et al. 2006), although such shorthand is highly reductive (Defourny and Nyssens 2010). Furthermore, when it comes to identifying social enterprises, many observers take the proportion of market resources into account: some require that at least 50 percent of resources come from market sales. Such an approach is often far removed from the realities on the ground, but the question of the economic model and the degree of dependence on the market is a central issue in the debate. This is why two dotted lines have been drawn across the triangle (Figure 1). These allow for various combinations of resources (market resources, public subsidies, donations, etc.) and distinguish between situations in which market resources dominate, those in which funding is mainly non-market (usually public, or in the form of voluntary funding), and those in which a hybrid economic model is preferred, often to better balance the social mission and financial viability of the organization. Note that the lower dotted line also intersects the “mutual interest” angle. Cooperatives are primarily market-based enterprises, and so they appear below the line, as do all enterprises that derive all or most of their revenues from the market; by contrast, mutual interest associations, such as sports clubs or other leisure associations, typically rely on a combination of market resources (membership fees, sales in a cafeteria) and other resources, such as volunteer activity and public contributions in the form of sports infrastructure and other facilities provided by local authorities.

Toward a typology of social enterprise models

By drawing on both the distinction between mutual and general interest and the types of resources that social enterprises use, we can represent how different “institutional trajectories” across the economy can generate different social enterprise models.

The "starting points" of these institutional trajectories are the initial organizational types (associations, cooperatives, for-profit enterprises, the state, etc.) defined and located according to the three "principles of interest" in the triangle. In turn, these principles of interest and the organizational types that correspond to them can be seen as matrices from which dynamics and trajectories will emerge.

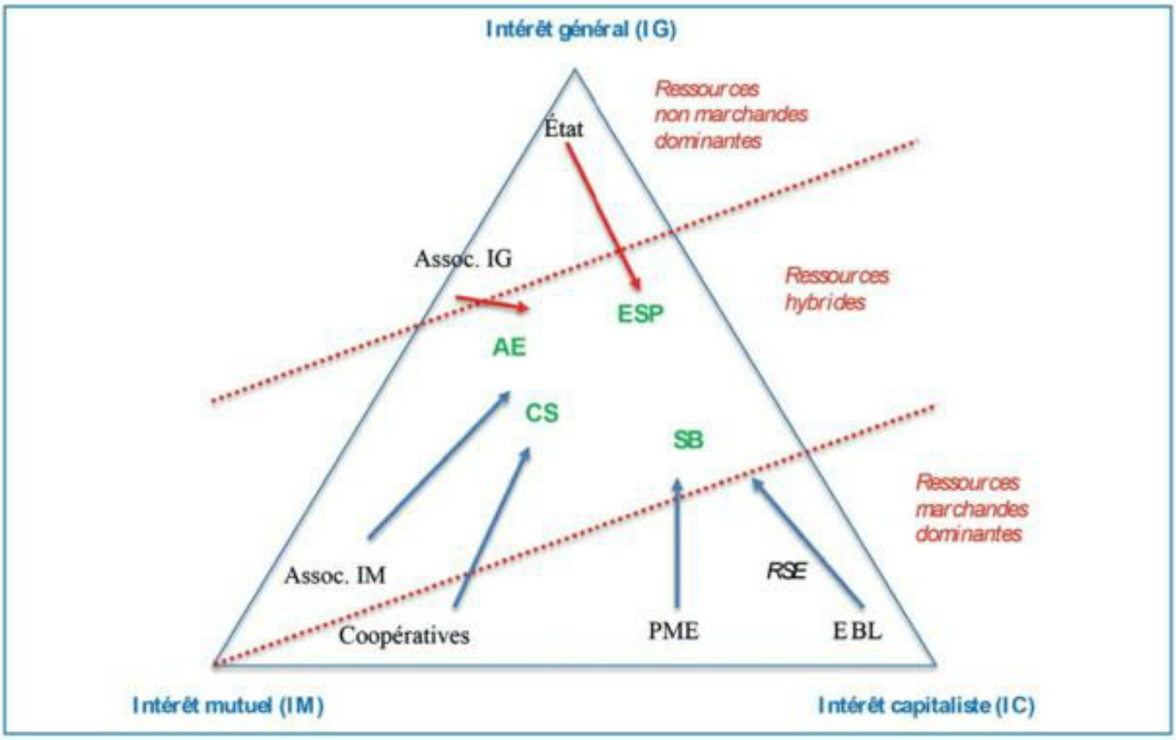
The trajectories themselves correspond, schematically, to one of the following two movements:

- **a)** an "upward" movement of mutual or capital interest organizations, reflecting a shift toward behavior that places greater emphasis on the general interest. Such a shift is represented by the blue arrows pointing upward in Figure 1.

  Or,

- **b)** a "downward" movement of general interest organizations (which hitherto relied mainly on non-market resources or were fully subsidized by public authorities) toward more market activities. This shift is represented by the downward-pointing red arrows in Figure 1. This shift may also involve the adoption of more "commercial" management practices. As shown in Figure 1, six main institutional trajectories can be identified, leading to four major social enterprise models.

Figure 1 - Institutional trajectories and social enterprise models



FR	EN
Intérêt général (IG)	General interest (GI)

État	State
Ressources non marchandes dominantes	Dominant non-market resources
Assoc. IG	GI assoc.
Ressources hybrides	Hybrid resources
AE	ENP
ESP	PSE
CS	SC
SB	SB
Assoc. IM	MI assoc.
Ressources marchandes dominantes	Dominant market resources
Coopératives	Coops
PME	SMEs
RSE	CSR
EBL	FPOs
Intérêt mutuel (IM)	Mutual interest (MI)
Intérêt capitaliste (IC)	Capital interest (CI)

The "entrepreneurial non-profit" (ENP) model

The entrepreneurial non-profit model mainly includes general interest associations ("GI assoc.") that develop commercial activities—of whatever type—generating income to complement their other resources (public subsidies, donations, voluntary work, etc.) and therefore support their social mission.

Social enterprises of the ENP type can also result from the evolution of mutual interest associations ("MI assoc.") toward a stronger consideration of the general interest, well beyond the interests of their members. In practical terms, this means that the organization will now serve "beneficiaries" other than its members, without losing sight of the latter's interests. This extension may concern direct beneficiaries, as in the case of a sports club that operates for its members and decides to extend its activity to a wider community in order to contribute, for example, to greater social cohesion in disadvantaged neighborhoods. It can also be a benefit of a more society-wide nature, such as when a mutual interest association decides to make protecting the environment one of its central missions.

The “social cooperative” (SC) model

The “social cooperative” model generally results from the movement of mutual interest organizations (“Coops” or “MI assoc.”) toward a type of behavior marked by increased attention toward the general interest.

Cooperatives are first and foremost mutual interest enterprises, owned and controlled (democratically) by their members for their own non-capitalist interests. Because it is part of this cooperative tradition, the social cooperative model also aims to implement forms of democratic governance, i.e., equal voting power in the general assembly and a limit on the remuneration of capital shares. However, this model goes beyond that of most traditional cooperatives in that it combines the pursuit of its members’ interests with the pursuit of the interests of the community as a whole or of a specific target group. The legal status of social cooperative was created in Italy in the early 1990s. Since then, new legislation similar to the social cooperative has been passed in other countries, such as the legal status of “*société coopérative d'intérêt collectif*” (collective-interest cooperative) (2001) in France, the status of “social cooperative” (2006) in Poland, and many other legislative initiatives throughout Europe (Fici 2015; European Commission 2020). Depending on the legislation in force, other legal forms may be close to the cooperative status, even if they are different from a strict legal point of view (Roelants 2009). Cooperative-type social enterprises can also result from the evolution of mutual interest associations (“MI assoc.”) that want to develop their economic activities in response to a specific social problem and, in so doing, move toward a more explicit general interest objective.

The “social business” (SB) model

The approach that views the social enterprise as a commercial business guided by a social mission, regardless of its status (Austin et al. 2006), has become dominant among business schools, consulting firms, the CSR departments of large multinational corporations, and various foundations, which promote the adoption of private enterprise management methods as a means of responding more efficiently to social problems.

When launched by for-profit enterprises, the social entrepreneurial drive consists of a move toward the general interest. In this social enterprise model, it is then a question of simultaneously aiming for and balancing financial, social, and even environmental results (double/triple bottom line). As suggested in Figure 1, a more pronounced orientation toward the general interest will often lead these “social businesses” to rely on a more hybrid economic model, with a certain proportion of non-market resources that support, at least in part, the production of goods or services provided for the collective interest.

The definition of social business by Muhammad Yunus (2010) implies stricter conditions: such social enterprises, regardless of their status, are supposed to cover all their costs through their market resources, and the investors (often large multinationals) do not receive any dividends, the profits being totally reinvested in supporting the social mission. To this extent, "Yunus-type" social businesses can be considered a special case in our social business model.

The "public-sector social enterprise" (PSE) model

Many governments, whether at the national or local level, are facing significant budgetary constraints in a context of growing social needs. In this perspective, the literature on New Public Management advocates not only greater efficiency in public services but also the transfer of certain services to private entities—including social enterprises—while keeping these entities under public control, or at least ensuring their supervision by public regulation. In certain configurations, social enterprises can emerge as "public-sector spin-offs." In the framework of local development policies targeting disadvantaged urban areas, for example, local authorities may take the initiative in setting up social enterprises to stimulate economic revitalization efforts. They can also launch work integration social enterprises targeting the long-term unemployed, and then remain involved in the management of these initiatives.

In general, the "social entrepreneurial" drive here consists of a move toward "marketization," which can take different forms and have various implications. First, an increasing share of public services tends to be contracted out, implying a shift in the balance between in-house and outsourced provision (including by social enterprises). Public procurement procedures can sometimes be reserved for social enterprises, but social enterprises may also have to compete with all types of enterprises, including for-profit ones.

On the proper use of the triangle and the four models

The four social enterprise models presented above all appear to be the result of new dynamics at work in pre-existing organizations—something we referred to with the concept of "initial organizational types" in Figure 1. So, at first glance, there might not seem to be much room in this triangle for social enterprises created ex nihilo. However, such an interpretation would clearly be wrong. Indeed, any individual social entrepreneur or group of people can start an initiative from anywhere in the triangle. Its position will depend on its general interest orientation, the way it balances social and economic objectives, the legal form it chooses, the type of business model it seeks, etc.

It should also be emphasized that this basic typology does not deny the existence of the many hybrid models that can be observed in the field. For example, partnerships between for-profit enterprises and associations or partnerships involving local public authorities are relatively common.

Putting the "theorized" models to the test

As explained above, phase 2 of the ICSEM project consisted of a large-scale survey of more than 720 social enterprises considered by the researchers to be representative—even emblematic—of the different types or categories they had identified. The empirical data, which was collected using a common questionnaire translated into various languages, was then statistically analyzed in phase 3.[3] The primary objective here was to see if there emerged clusters of enterprises that were sufficiently similar, based on a set of characteristics, to appear as significantly homogeneous groups that were at the same time significantly distinct from one another. This analysis was conducted both globally and separately for Asia, Latin America, Central and Eastern Europe, and Western Europe.

This statistical analysis of the ICSEM database confirmed the existence, on a global scale, of three of the four major social enterprise models proposed in the typology: the social cooperative, the entrepreneurial non-profit, and the social business. The data collected shows that these three major social enterprise models can be found in almost all the countries covered, i.e., 39 countries out of the 43 studied (Defourny, Nyssens, and Brolis 2021).

The existence of the public-sector social enterprise model is not confirmed by the identification of a distinct group of enterprises. However, one should not be too quick to conclude that the public sector is absent from the field of social enterprises. In fact, it is found within certain clearly identified groups, often involved as a partner in the creation of social enterprises—in particular work integration social enterprises. It is also possible that local researchers, considering a priori social enterprises as essentially private initiatives, did not consider initiatives emanating from the public sector as potential social enterprises.

The results for Western Europe: From five groups to three models

The statistical analysis of the data collected in Western Europe (Defourny and Nyssens 2021) has revealed five groups of enterprises whose dominant features can be identified in Table 1.

Two groups that are close to the entrepreneurial non-profit model

The first two groups account for almost half of the social enterprises observed. Within the first group, we find associations and foundations that mainly provide educational, health, or social services. These organizations are the oldest in the sample. They have almost as many volunteers as employees. The missions of the social enterprises in the second group are related to the socio-professional integration of vulnerable groups into the labor market. They are associations or commercial enterprises owned by associations.

[3] A factor analysis followed by a cluster analysis.

The economic model of these organizations is based on a combination of market and non-market resources. For associations providing educational, health, or social services, market resources represent only one-third of revenues. Such a mixture of resources might seem surprising given that, as mentioned above, social enterprise is sometimes seen as "a market solution to a social problem." However, according to the EMES conception of social enterprise, the entrepreneurial dimension of social enterprises is not to be confused with their market dimension but instead refers to the fact that social enterprises bear "economic risk," regardless of the nature of the resources. From this perspective, it is therefore not surprising that many associations have been identified as social enterprises by local researchers, even if they have less than 50 percent market resources.

In terms of governance, these groups tend to be democratic or at least participatory. The ultimate power lies with the general assembly (GA) or the board of directors (BOD), which often includes volunteers, citizens, experts, and managers. Overall, these two groups clearly converge toward the "entrepreneurial non-profit" model identified in our typology.

Two groups that are close to the social cooperative model

In the next two groups (columns 3 and 4 of Table 1), a large proportion of organizations have adopted the cooperative legal status. This is a strong characteristic, which invites us to consider the reality of a new form of cooperative and its truly "social" nature, knowing that conventional cooperatives are primarily oriented toward the interests of their members and not toward the general interest of a larger community, as shown in Figure 1.

First, it should be noted that in the third group, about a quarter of the organizations are not legally registered as cooperatives. However, many organizations have adopted one of the new legal forms that have been created with a close connection to the conventional cooperative status. This group includes a significant proportion of Italian social cooperatives, a model in which the organization's general interest missions explicitly occupy a central place. These cooperative-type organizations mainly provide educational, health, or social services. All activities serve strong social goals: they mainly aim to create jobs for the unemployed or to improve the health of vulnerable people. These social enterprises rely primarily on market resources, although they often sell some of their services or goods below market price, reflecting an orientation toward the general interest. They have democratic governance structures and are primarily controlled by their workers and managers (and, in certain cases, investors).

The second cooperative-type group (Group 4) consists almost entirely of cooperatives. These initiatives are fairly recent and much smaller than those in the previous group. Most of these social enterprises were started by citizens. These "citizen cooperatives" involve committed citizens experimenting with social innovations that respond to the aspirations of local communities. This group includes, among others, agricultural cooperatives promoting short food supply chains and renewable energy cooperatives, where the interest of the members is clearly combined with an environmental societal goal. Many of these cooperatives are multi-stakeholder organizations, involving workers, users, investors, and suppliers in their governance bodies. The analysis of the characteristics of these two groups allows us to empirically validate the social cooperative model, which is therefore divided into two fields: on the one hand, cooperative-type organizations in the field of social integration and social services, and, on the other, citizen initiatives focused on the ecological and social transition.

A smaller group indicating the existence of an SME model of social business

The last group (Group 5), which is also the smallest, brings together the newest and smallest social enterprises in our sample. It includes for-profit enterprises that combine a strong commercial orientation with a social mission. The data shows that these enterprises have very similar business models to cooperative-type organizations: they too rely on market resources (but sell their goods and services primarily at market prices).

However, their governance models are markedly different. In this group, many of these enterprises are in the hands of a single individual. For this reason, we have described this type of governance as “independent” (in the sense of having strong autonomy). With respect to rules and arrangements regarding the distribution of profits, it is striking that in the majority of organizations there are no rules limiting the distribution of profits. Some of these enterprises adopt an accreditation that requires social objectives to be predominant in their mission (e.g., the “BCorp” accreditation), but these accreditations generally do not impose any limits on the distribution of profits. This does not mean that all or most of the profits are generally distributed to the owners: a fairly common practice is to reinvest profits in the enterprise.

Much of the literature on social businesses highlights and promotes initiatives launched by or in partnership with multinational corporations, suggesting fairly large-scale initiatives. The annual Global Social Business Summit and its charismatic leader, Muhammad Yunus, are emblematic of this school of thought. This is the type of profile we had in mind when we began conceptualizing the social business model, but our statistical results actually suggest a different picture. This group is in fact made up of small and medium-sized enterprises, often run by an individual entrepreneur, that operate in the market while pursuing a social mission.

As this combination of economic and social objectives is implemented here in less regulated frameworks than those defined by the rules and governance structures of “cooperative”-type social enterprises, the balance between these (potentially conflicting) objectives and the evolution of this balance over time raise the question of the sustainability of the social mission. In such a context, it seems crucial to analyze the actual practices of these enterprises in greater depth: To what extent do the social and/or environmental dimensions really prevail over the search for profit? Are they not simply instruments to better serve the financial interests of the owner(s)? More generally, under what conditions can an economic activity that generates social value be considered an expression of social entrepreneurship?

At any rate, at this stage we can affirm that this group supports the validity of the social business model, rooted in the desire of some SMEs to combine economic and social objectives. Nevertheless, it is both likely and desirable that additional insights will appear that could enrich our social business model. This is already the case, for example, for Serres et al. (2022), who put forward the notion of the "social corporation": this covers SMEs, but also very large multinationals whose social mission is "incorporated" into their articles of incorporation. In line with the models presented earlier, it is striking to note that modes of governance are once again the decisive elements that differentiate social corporations.

Table 1 - Principal characteristics of social enterprise groups in Western Europe

FR	**EN**
Modèles d'entreprises sociales	Social enterprise models
Modèle de l'association entrepreneuriale (AE)	Entrepreneurial non-profit (ENP) model
Modèle de la coopérative sociale (CS)	Social cooperative (SC) model
Modèle du social business (SB)	Social business (SB) model
Groupes d'entreprises sociales et type(s) dominant(s) dans le groupe	Social enterprise groups and dominant type(s) within the group
Groupe 1 AE fournissant des services sociaux	Group 1 Social services ENPs
Groupe 2 d'insertion	Group 2 Non – Profit WISEs
Groupe 3 Coopérative de services sociaux et coopératives d'insertion	Group 3 Social services cooperatives and cooperatives WISE
Groupe 4 Coopératives citoyennes	Group 4 Citizen cooperatives
Groupe 5 Petits et moyens SB	Group 5 Small and medium-sized SBs
% d'entreprises appartenant à ce groupe	% of enterprises belonging to this group
Forme juridique	Legal form
Organisations à but non lucratif (64%) Fondations (16%)	Non-profit organizations (64%) Foundations (16%)
Sociétés anonymes (44%) Organisations à but non lucratif (41%)	Limited companies (44%) Non-profit organizations (41%)
Coopératives (73%) Formes juridiques spécifiques aux entreprises sociales (23%)	Cooperatives (73%) Legal forms specific to social enterprises (23%)
Coopératives (96%)	Cooperatives (96%)
Sociétés anonymes (59%) Entreprises individuelles (18%)	Limited companies (59%) Sole proprietorships (18%)
Année de création (médiane)	Year of creation (median)
Missions sociales majeures	Major social missions

Développement communautaire, développement des compétences, égalité, et *empowerment*, création d’emplois	Community development, capacity building, , equality and empowerment, job creation
Insertion par le travail	Work intergration
Création d’emploi, promotion de la santé	Job creation, health promotion
Transition écologique, finance sociale	Ecological transition, social finance
Missions sociales diverses	Various social missions
Activités dominantes dans le groupe	Dominant activities in the group
Services en matière d’éducation et de santé et services sociaux	Education and health and social services
Divers	Various
Énergie, commerce, alimentation, services financiers…	Energy, trade, food, financial services...
Commerce, production, éducation…	Trade, manufacturing, education...
Ressources	Resources
Ressources hybrides	Hybrid resources
Ressources marchandes dominantes	Dominant market resources
Proportion des différentes sources de revenus	Share of the different sources in the income mix
Subsides : 41%, Marché : 36%, Dons : 10%	Subsidies: 41%, Market: 36%, Donations: 10%
Prix pratiqués pour l’activité économique principale et proportion d’entreprises appliquant ces prix	Prices charged for the primary economic activity and proportion of enterprises charging these prices
Gratuité (55%), Prix inférieurs aux prix du marché (36%), Prix du marché (32%)	Free (55%), Below market price (36%), Market price (32%)
Prix du marché (84%)	Market price (84%)
Travailleurs salariés (valeur médiane par entreprise sociale)	Salaried workers (median value per social enterprise)
Bénévoles (valeur médiane par entreprise sociale)	Volunteers (median value per social enterprise)

Promises and challenges

Even if not all the practices they designate are new, the—recent—concepts of social entrepreneurship and social enterprise are clearly in vogue and are constantly diversifying, including in their organizational, sectoral, and geographical expressions. This growing diversity and the open-ended nature of these concepts are undoubtedly reasons for their rapid success, both with public officials and private-sector actors, who, each in their own way, are discovering or rediscovering possibilities for promoting entrepreneurial dynamics and social goals at the same time.

An in-depth look at the different social enterprise models allows us to identify some key future issues. For the social business model, it can be expected that classic private-sector actors will play a leading role in the development and configuration of social entrepreneurship. At play here is the belief, widely held in the business world, that market forces have the capacity to solve an increasing share of social problems. Therefore, even if some emphasize the need to mobilize different types of resources, it is not impossible that the current wave of social entrepreneurship will act in part as a process that prioritizes and selects social challenges according to their potential to be addressed in an entrepreneurial and market-oriented way. Certainly, some innovative responses may emerge from social business, but from a societal point of view, one can only doubt the relevance of this type of ordering of social needs. This type of questioning is increasingly pertinent in countries where the privatization and commodification of social services has gone the furthest.

This is another challenge faced by many social enterprises that are increasingly supported by proactive public policies, sometimes aimed at the reintegration of marginalized workers, sometimes at providing services to vulnerable populations. The risks inherent in this type of public support are, on the one hand, to see social innovation frozen at a certain stage due to its institutionalization, and, on the other hand, to see social enterprises instrumentalized within the framework of political agendas that take away most of their autonomy and creativity.

Despite such risks, the emergence of different entrepreneurial forms focused on social goals and the identification of three—or even four—major models based on the principles or matrices of mutual interest, capital interest, and general interest open up several interesting perspectives. First, this classification allows us to take an additional step in the clarification of the social enterprise landscape, which is too often "caricatured" and described by means of monolithic discourses. Far from aiming at any kind of unifying theory, it highlights major models that are very different, which themselves contain a diversity of practices within them. Second, and most importantly, it shows in a structured way that social entrepreneurship can emerge from all across our economies, including in unanticipated areas, which differ depending on the region of the world.

So why not recognize, in these four major social enterprise models, the emergence of new distributions of roles and tasks in the pursuit of the common good? Historically, the state has often been tempted to assume sole responsibility for the general interest, even though traditions of solidarity or philanthropy have almost always coexisted with official forms of public monopoly. After all, the acknowledgment of complementarities between public action and associative action has only come about recently and remains by no means complete in many countries around the world, including in Western Europe. In this context, the emergence—or rather the strengthening—of a true associative entrepreneurship, as well as the development of a new family of cooperatives that are more focused on the general interest, emphasize the relevance and the potential of new distributions of responsibilities, as well as the need to deepen partnerships of all kinds around specific issues of the common good. Within such partnerships or according to more individual trajectories, a growing number of entrepreneurs (concerned with integrating a general interest dimension into the heart of their economic activity) are also questioning the pursuit of profit at all costs. Recognizing this diversity does not only mean recognizing that social enterprise can generate social impacts by providing goods and services to meet unsatisfied needs through a variety of models. It also means recognizing the institutional dimension of these different models—that is, their potential role in the development of norms and regulations, at the organizational level and beyond, through the "institutional work" of all actors. It is essential not to reduce social enterprises to a space dedicated to "alternatives"; indeed, through their innovative dynamics in many areas of activity, they carry a transformative potential for the whole economy, which is seeking sustainable models. By going beyond simple "compromises" between economic, social, and environmental performance, particularly through their connections with the social movements that support them, they can contribute to raising society's awareness and generating or strengthening a desire for large-scale change. Although the social and ecological transition cannot fully be achieved without profound systemic transformations at the macro level, social enterprises also contribute to the evolution of production processes and modes of consumption. The challenge is therefore to take the full measure of their contribution and to broaden their influence. In this sense, social enterprises are indeed a driving force for the transition.

Of course, the path that social enterprise should take in the face of "isomorphic" pressures is never going to be obvious. That is why it probably has much to gain by maintaining and strengthening its links with the social and solidarity economy, which is its most frequent and natural setting, and which has acquired a great deal of experience in terms of maintaining its own identity while interacting with the market, public authorities, and civil society.

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