

*Abstract for Social Enterprise and Social Entrepreneurship Stream*

*Not Living Up to Their Billing: A Population Survey of Social Purpose Businesses in Ontario, Canada:*

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Social purpose businesses are one important form of social enterprise (Dees, 1998). They are an organizational form of wide interest in entrepreneurial, civil society and nonprofit sector research fields (Seelos & Mair, 2004; Sadownik, 2007). Even so, they remain under-documented. They are widely described through short and selective case studies (e.g., Emerson and Twersky, 1996, Alter, 2000, Boschee, 2006) in laudatory terms, suggesting this form of organization as a breakthrough innovation in civil society.

The empirical findings documented in this study challenge this characterization, showing that this organizational form is neither as ~~widely~~ financially nor socially successful as we might believe.

This research is based on the first population survey of social purpose businesses ever undertaken in a specific geographic area. The research describes a specific subpopulation of 'social purpose businesses' in Ontario, Canada. The particular organizations studied are types of 'social purpose businesses' - first described by Emerson and Twersky (1996) as businesses which are founded (often by nonprofit human service parent organizations) with a 'double bottom line' mandate of both producing economic returns as well as providing training and employment opportunities for some kind of socio-culturally marginalized groups (e.g., homeless, street youth, chronically unemployed).

Social enterprise and social entrepreneurship have emerged as major themes in research and practice in the civil society and nonprofit sectors (Alter, 2000, Dees, Emerson and Economy, 2001, Grenier, 2005). Recent work has emphasized the distinction between streams of social enterprise. One stream, international in focus, and particularly orientated towards 'developing country' contexts emphasizes the 'innovation' aspect of social enterprise (Drayton, 2001, Nicholls, 2006, Bornstein, 2004). Here, social enterprise is regarded in terms of innovation and scale in social problem solving. The other stream, and the one engaged in this paper, focuses on the more Anglo-American stream, which emphasizes business-like and market-like revenue generation and organizational design strategies for social problem solving (Weisbrod, 1998, Dart, 2005,

Dees, Emerson and Economy, 2001). This orientation towards social enterprise frames three broad categories of social enterprise: (1) social purpose businesses which can be non-profit, for-profit or a hybrid; (2) earned income businesses such as revenue-generating activities started by non-profits or 'for-benefit' businesses that are created to generate profits for non-profits; and (3) business partnerships between for-profits and non-profits and/or governmental agencies (Dees, 1998, 2007). Our research empirically examines a population in the first category.

How successful are social purpose businesses in financial and in 'social purpose' term? What are their population characteristics and major strategic issues? What are their organizational dynamics? This paper will provide the first systematic engagement of these questions.

This paper will report on the results of a quantitative and qualitative survey administered to the full population (between 60-90) of social purpose businesses identified in ~~Southern~~ Ontario, Canada.

The paper will profile Ontario, Canada social purpose businesses in terms of

- 'Success' in terms of their 'double bottom line' outcomes of financial viability and social/training outcomes
- Size (based on revenue and employment);
- Finance and financial capacity (e.g., funding stability and issues, funding sources - grants, earned income, donations);
- Organizational goals (e.g., the relative importance of financial, training and organizational stability to these organizations);
- Human resources (e.g., paid employees, volunteers, part-time/ full-time, training and retention);
- Governance;
- Target groups (in terms of clients and also in terms of customers);
- Organizational dynamics (e.g., rates of growth and decline, major concerns or opportunities); and
- Strategic issues (e.g., patterns of focus or diversification, patterns of balance between financial and service provision goals, etc.).