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Social Entrepreneurship

14 March 2019



Entrepreneurship is ...

Entrepreneurs buy at certain prices in the present and sell at uncertain prices in the future. The entrepreneur is the bearer of uncertainty

Richard Cantillon, c.1730

The entrepreneur shifts economic resources out of an area of low and into an area of higher productivity and greater yield.

JB Say, c. 1800

Entrepreneurs attempt to predict and act upon change within markets
– Frank Knight, 1921

The entrepreneur is the innovator who implements change within
markets through new combinations – Joseph Schumpeter, 1934

The creation of new organizations – Gartner, 1988



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‘Entrepreneurship is the pursuit of opportunity beyond the resources you currently control.’

Howard Stevenson ‘The Heart of Entrepreneurship’, HBR March-April 85, pp85-94

Entrepreneurship needs

Risk

Talent

Opportunity

Failure

Cash

Alliances

Story-telling



Image from Echoing Green

Social entrepreneurship is ...

Not for profit?

Intentional?

Micro?

At scale?

System changing?

Better business?

Activism?

Social entrepreneurship

Is complex and over-determined

BUT

Has intentionality at the centre

Uses the mechanisms of business, activism, finance,
philanthropy, volunteering to achieve pro-social
outcomes

Something in the air

The circular economy
The Future of Capitalism (Paul Collier)
Prosperity (Colin Mayer)
The Giving Pledge
B Corps
Social finance/impact investing
Effective Altruism

Global Threats

Energy

Food

Water

Pandemic

Migration

Security

Data

Automation

Opportunities

Materials science

Bio-engineering

Super computing

Data analytics

Mobile

Nano engineering

Artificial intelligence

Finance

More capital available

More financial instruments available

CASH EXCEEDS OPPORTUNITY

Social entrepreneurs

Link money and opportunity

Talent and technology



Avoiding mistakes

Social entrepreneurship is hard, lonely work

Majoring on morality

Raising finance is very time-consuming

It's easier to raise finance at the margin than the centre

Market signals are often weak

Opportunity recognition

Not all opportunities are alike

Opportunities have structural definition and established forces

Lean start-up

From Eric Ries & Steven Blank

Key concept: Minimum viable prototype

Build, Measure, Learn

Criticisms of social enterprise

Not successful enough?

Not precise enough?

Heroic individualism?

Story telling?

Risks of disruption and failure where markets already failing?