



Journal of Technology Management &
Innovation

E-ISSN: 0718-2724

editor@jotmi.org

Universidad Alberto Hurtado
Chile

Borges Ladeira, Francielli Martins; Vier Machado, Hilka
Social Entrepreneurship: a Reflection for Adopting Public Policies that Support the Third
Sector in Brazil
Journal of Technology Management & Innovation, vol. 8, núm. 3, 2013, pp. 188-196
Universidad Alberto Hurtado
Santiago, Chile

Available in: <http://www.redalyc.org/articulo.oa?id=84759147017>

- How to cite
- Complete issue
- More information about this article
- Journal's homepage in redalyc.org

redalyc.org

Scientific Information System
Network of Scientific Journals from Latin America, the Caribbean, Spain and Portugal
Non-profit academic project, developed under the open access initiative



Social Entrepreneurship: a Reflection for Adopting Public Policies that Support the Third Sector in Brazil

Francielli Martins Borges Ladeira¹, Hilka Vier Machado²

Abstract

Interest in social entrepreneurship is growing widely not only in Brazil but in the world. Several developed countries have stepped forward to develop policies to support this area not only as a tool to fulfill the government failures such as poverty, health, education, unemployment among others, but also because of all the benefits that social enterprises have in relation to society. However, it is possible to identify a lack of political support for social entrepreneurship in Brazil. Given the needs in the Brazilian context of improvements in several areas where the state can not cover actions in their entirety as social exclusion, income distribution and especially professionalization of youth and creating jobs, we need a deep analysis of how social entrepreneurship can act as a modifying element of this scenario. Thus, with Brazil a country developing rapidly, it is important to verify public policies that support social entrepreneurship in already developed countries and carry out studies on the suitability and applicability of these policies in the Brazilian reality. Thus, this paper aims to study the trends of social entrepreneurship in some developed countries as well as analyzing public policies implemented by these countries, and considering the Brazilian context, present some policy proposals to support social entrepreneurship in Brazil.

Keywords: social entrepreneurship; public policy; social and economic policies.

¹Masters from the Post Graduate Program in Administration at Maringa State University (PPA/UEM), Av Colombo, 5790 Block C23 - Room 15, Maringa, Paraná, Brasil. +55 44 91081994. E-mail: francymborges@hotmail.com

²Prof. Dra. Associate in the Administration Department at Maringa State University and faculty in the Post Graduate Program in Administration (DAD – PPA/UEM), Paraná, Brasil. E-mail: hilkavier@yahoo.com

Introduction

Social entrepreneurship involves the action of volunteer organizations or nonprofits seeking actions with positive social impact on several fronts in need of encouragement or actions of the state. The search for the regulation of social enterprises is recent, but the roots of social work are old. According to Salamon (1998) social entrepreneurship was renewed recently, but its origin comes from ancient China (VIII century), institutionalized by Buddhism. In Japan, social entrepreneurial activities began with the Society of Gratitude in 1829. In Europe, these social actions predate communist regimes. Letts et al (1999) argue that in the 60's, philanthropy was already used in the U.S. as an "arm for research and development", Landin (1993) believes that social entrepreneurship in the United States started around the 70s to designate nonprofit organizations that provide public services. The decision to start a social enterprise can be motivated, according Oberfield and Dees (1999), by personal values or by the opportunity to save:

"On the personal side, a common element seems to be the desire of the social entrepreneur, who is making a contribution to society, together with the belief that this contribution can not be done (at least not as well) through a venture traditional commercial. On the economic side, some opportunities may not be exercised effectively for profit or financed." (Oberfield and Dees in Sahlman et al, 1999, p.566) Several examples show international policies to support entrepreneurship. According to Birley and Muzyka (2004), in Germany, Steinbeis Foundation raises funds for large industries to invest in research and development, and transfer the knowledge generated for small businesses, as well as serving as a connecting link between the companies and technical excellence centers, such as educational institutions and large company research centers. The US Manufacturing Extension Centers, spread across the country, gather experiences and resources from partner organizations. Each extension center has its own objectives regarding the improvement of manufacturing techniques and the strengthening of global competitiveness for smaller manufacturers, achieved through professional consulting, coaching and public workshops to help thousands of small and medium size enterprises to increase their productivity, modernize their factories and business processes, adopt advanced technologies, reduce costs, improve competitiveness, and grow (VMEC, 2011).

Social entrepreneurship can be considered as "a way to fill gaps where the market and / or the State failed" (Yujico, 2008, p. 494) emphasizing the social value beyond financial returns (Haughton, 2008). In this respect, social entrepreneurship is a private activity conducted in the interest of the public, organized with an entrepreneurial strategy but whose main goal is not profit maximization, but the achieve-

ment of certain economic and social objectives, and which has an ability to bring innovative solutions to problems such as social exclusion and unemployment (OECD, 1999). In being an alternative failed state activities, the community's increased confidence in relation to government services is attributed to the third sector which reinforces the image of entrepreneurship as an agent for social change. Thus, besides the macroeconomic and regulatory policies for social entrepreneurship, the direct contribution of the state in this sector is not the most effective (Birley; Pottery, 2004). Any direct assistance could best be provided by independent service support.

This article aims to understand the role of social entrepreneurship in different countries, as well as the public policies adopted to support the social sector. Thus, it becomes possible to seek reflections on this theme for the Brazilian reality in order to propose policies to promote social entrepreneurship that can bring development to less fortunate areas that suffer from economic or social exclusion.

The article continues with a theoretical explanation about social entrepreneurship, expounding upon its performance worldwide as well as policies to encourage social entrepreneurship in different countries. And finally, the reflections that follow propose the adoption of policies to support the social sector in Brazil.

Quick Panorama of Social Entrepreneurship

There is a large and confusing field definitions and limitations referred to social entrepreneurship, however, we can distinguish commonalities. According to Oliveira (2004), the little literature on social entrepreneurship have sources in articles and papers produced in other countries, so that much of the social entrepreneurship known in Brazil today is influenced by concepts from countries like UK, Canada, Switzerland and USA. In international conceptualization, social entrepreneurship is a type of entrepreneurship aimed at the public or a social benefit (School Social Entrepreneurship - AU), having as traditional characteristics, vision, creativity, determination, and focus on social innovation (Canadian Social Entrepreneurship Center). Beyond this, they are enterprises that are aimed at resolution of social problems through creating partnerships and that use means of self-sustainability, transforming the community thanks to strategic partnerships, use of market-based approaches to solving social problems, and to identifying new markets and opportunities to finance a social mission (SCHWAB foud - Switzerland). Organizations guided by a dual purpose: to undertake programs that work and are available to people (social entrepreneurship is based on the competencies of an organization), making them less dependent on government and charity (The Institute Social Entrepreneurs – USA).

Generally, the main characteristics of social entrepreneurship is given by the factor of being a nonprofit organization, however, to Oberfield and Dees (1999) such a label can be misleading:

Contrary to popular perception, nonprofit organizations are allowed to make a profit (a surplus of revenue over expenditure). However, unlike for-profit organizations, nonprofits can not distribute this surplus to those who have a controlling interest in the organization (ie, employees, directors or employees). Thus, nonprofit organizations “do not have owners.” No individual or group of individuals has the right to economic waste. [...] This restriction is the central feature that defines the nonprofit organization. The goal of this “non-distribution constraint” is to keep people in nonprofits to profit personally at the expense of donors, members, volunteers or beneficiaries [...]. Any economic surplus should be used to promote the social mission of the organization. (Dees and Oberfield in Sahlman et al, 1999, p.566).

Entrepreneurship as discovery of opportunity and exploitation encompasses commercial entrepreneurship in the pursuit of commercial opportunities for economic development, while social entrepreneurship seeks opportunities for social purposes (GEM, 2009). Harvard University broadens the concept of social entrepreneurship as follows:

Social entrepreneurship creates innovative solutions to immediate social problems and mobilizes the ideas, capacities, resources and social mechanisms necessary for sustainable development and social transformation. Social entrepreneurship has focused on solutions that are not only effective, but also sustainable and ideally replicable in a variety of contexts throughout the world. Social entrepreneurs share characteristics with entrepreneurs and traditional techniques, such as using business theories already tested and practiced, and its focus on innovation. Their work spans the entire private sector, nonprofit and government sectors. (Schøtt, 2009).

To Sharir and Lerner (2006), social entrepreneurship is characterized by a development with concerns that go beyond the dichotomy of public versus private (profit generation). According to Haugh and Kitson (2007) social entrepreneurship can be classified into:

- a) voluntary sector: charities, housing associations and community associations.
- b) community Sector: small groups organized locally, and include civil societies, support groups and community and neighborhood associations.
- c) social enterprise sector: organizations are businesses with social objectives, such as credit unions and community interest companies.

The first GEM Brazil research project based on Social En-

trepreneurship occurred in 2004 and resulted in the establishment of the Social Entrepreneurship Activity Rate (SEA - Social Entrepreneurship Activity). In Brazil the SEA was found to be 1.05%. Compared to other countries like the UK where the SEA is 6.6% one can conclude that the Social Entrepreneurship in Brazil is low, however, in absolute numbers Brazil surpasses 1 million social entrepreneurs. The survey of GEM (2004) shows that the difference found between the high rates of necessity entrepreneurship and low rates of social entrepreneurship (Brazil is in 4th place in necessity entrepreneurship) is explained by a phenomenon common to two spheres: “Brazilians manifests a priority commitment to its own survival before undertaking with social or communal goals” (GEM, 2004). According to the referred to report, the fragility of the Brazilian educational system partly explains the high rates of entrepreneurship by necessity, because a small portion of Brazilian entrepreneurs have complete or incomplete higher education, while Brazil is one of the countries with the highest numbers of entrepreneurs with low education. The opposite situation occurs where social entrepreneurship, both in Brazil and in most countries, developed or developing, the group with the highest level of formal education tend to have higher rates of social entrepreneurship, 75% of social entrepreneurs have at least completed high school, which shows this entrepreneur has a greater capacity when compared with conventional entrepreneurship.

The institution of social enterprises has the ability to modify the environment in which it is inserted through human, social and cultural development. Their sustainability depends on the beginning of this virtuous circle within a society. Froes and Neto (2002) cite social entrepreneurship as a paradigm that emerges from a model of human, social and sustainable development. Thus the self-sustaining community is viability through actions to promote social entrepreneurship and new strategies for social inclusion and sustainability. The beginning of the virtuous circle of social enterprise within a community gives way to, according Froes and Neto (2002), by a process of transformation of society characterized by increasing levels of knowledge society in relation to its resources, capabilities and competences, increasing levels of community awareness regarding their own development, change of personal values, community involvement in local entrepreneurial activities, increase the feeling of connecting people with their city, land and culture, stimulus and sustainable alternatives to development, transforming the population in owners and local social enterprise operators, including social movements and thus improving the quality of life of its inhabitants.

In regards to the role of social enterprises in the community, the focus on social enterprises has remained as the provision of services and products at a low cost compared to

the private sector and the social and environmental performance - such as reducing poverty and social exclusion and reducing harmful environmental impacts. Job creation, while very important, has not had as much of a focus (Haugh and Kitson, 2007).

In the report *Social Enterprise: Strategy for Success* there is a brief statement that “social enterprises create new products and services and develop opportunities for markets where companies generally can not or will not (DTI, 2002)” The report brings to light the important role of social enterprises, combating social exclusion through programs that lead a community of unemployed back to the labor market, this program is called “Renewal of Neighborhoods” by promoting participation and social empowerment and local regeneration (HM Treasury and Cabinet Office, 2006). This is one of the faces of social entrepreneurship in communities, rather than providing services and filling gaps where government action is lacking, social entrepreneurship is vital for a community that wants develop in a dignified and conscientious way in the pursuit of individual and collective emancipation.

Considerations for Social Entrepreneurship in the World

In the U.S., data from the GEM (2008) indicate a growing interest in social entrepreneurship. While most men start and grow in traditional businesses, focusing purely on economics, women gain strength in the social field. In 2007, only 25% of women entrepreneurs were identified as founders or managers of companies with socioeconomic goals, in 2008 the percentage jumped to 53%. The age range of American entrepreneurs that are more likely to engage in social goals is 55-64 years, adults 25-34 are the least likely to get involved in social causes (GEM, 2008). The activities of health, education, urban development and environment are the most popular sectors in social enterprises that are just starting. Employability in the U.S. is reinforced by social entrepreneurship according to data from GEM (2008), which shows that every company with socio-economic objectives are generating, on average 42 jobs per year, while the traditional enterprises generate, on average 28 jobs per project year. In the U.S., there is a growing interest in involvement in social causes, but with a broader view in relation to other countries, because they consider social activities: social objectives in business, social innovation, venture philanthropy, beyond NGO activity in the Third World, covering with this, several business practices (Schøtt, 2009). In Denmark one third of working adults are involved in social activities, especially older adults, with higher education and higher income (GEM, 2009) as is in Brazil, it is possible to detect a higher level of education and income among social entrepreneurs than other types of developments. A distinct pattern of so-

cial entrepreneurship is that Danish volunteers seem to be the engine of the model of social entrepreneurship in the country that wishes to participate in the social activities of the community and in that way contributing to the change of a problematic local scene.

There is a regularity in the profile of social entrepreneurs across the countries studied. As is true in Brazil and the U.S., in Israel 58% of the founders of social enterprises were women, the majority (90%) were over 40 years of age, only 43% entrepreneurs had previous administrative experience, while 57% had previous experience in the area in which the company operated. The initial capital available to businesses in the initial stage was as follows: most companies had capital of about \$ 2,500.00, 24% of companies had capital of about \$ 50,000.00, and less than 10% had more than \$ 200,000.00. The initial investment of most social ventures is around \$ 50 thousand, and the sources are initiatives vary, including public, private and philanthropic (Sharir and Lerner, 2006).

Public Policies that Support Social Entrepreneurship

The interest in the State's participation in social entrepreneurship is not new: In 1978, one of the conclusions of the Wolfenden Committee Report in the UK has been emphasizing the need for cooperation between the state and the third sector (Anheier, 2005). However, bureaucratic, political and inflexible nature of governments often made the implementation of social policies inefficient (EB 2007). As a result, social entrepreneurs often sought to fill those gaps where government failed, emphasizing the social value beyond financial returns (Haughton, 2008).

The coupling between entrepreneurship and its conditions, especially political conditions, differ between developed countries and developing countries. In a society that is typically developed, there is a strong link between entrepreneurship and politics, while this bond weakens a developing society (Schøtt, 2009). According to Hannan and Freeman (1984) the needs of the organization are guided directly to their age and size, thus the goals of organizational policies will also vary with age, stage of development and size of the organization (Schøtt, 2009). Studies by Schøtt (2009) show that the ability of social enterprises to get government grants is inversely related to their ability to generate income, ie: social enterprises that get income by selling products / services, or through donations are less likely to get government help. Data such as the age of the development and significance of its social goals are also analyzed. According to Schøtt (2009) there is still margin for improvement, because in his study more than half of social entrepreneurs were satisfied with public policy support, the remainder was split between undecided and unsatisfied.

In Hong Kong, an example of public policies adopted was the system of mentoring or consultancy: a social enterprise that turns the retired baby boomers into social advisors and uses them as a source of expertise and advice (GEM, 2007). Social entrepreneurship began to attract attention in the UK in 1995, however, it only began to receive significant support from the government in 1997, with the collapse of Fordism, the crisis of the state and the disappearance of full employment (Amin et al., 2002) new opportunities were thus created for the sector, usually in activities providing services such as education, health, social care, housing and environmental recycling. In the UK, public commitment to social causes gained momentum with the government of Tony Blair, even before the election in 1997, a review of relations with the third sector Labour Party led to the publication of "Building the Future Together" by the Labour Party, was a pact proposed between the party and the third sector. There were some subtle changes in policies, such as an increased focus on employability, education and innovation, though the state's role is limited: according to Coates (2002) the state was downgraded to act as a market lubricator. Tony Blair's policies were a very important way to signal that social entrepreneurship in the country could follow, such as partnerships with the Government or suppliers, service to society etc. Thus, the increased focus on local and regional policy and social sector became more reliable for society than the public sector (Bubb, 2006). After the election in 1997, several policies to support social entrepreneurship were implemented, including the Charity Tax Review conducted by the Treasury, the Law of Charities, whose goal was to create a modern legal framework of support and encouragement for a strong, diverse, independent and voluntary sector, the Public Policy Agenda for the third sector that seeks mutual benefit between social enterprises and the Government (Kendall, 2003). According to Haugh and Kitson (2007), the inadequate infrastructure led to the creation of Futurebuilders (HM Treasury, 2003), an investment fund to enhance the third sector at the community level. Another investment program is Change Up (Home Office, 2004) that aimed to strengthen the infrastructure in priority areas of performance improvement, governance, staff development, volunteer recruitment, management and income generation. These programs have increased funding for the social sector to almost £ 70 billion, most of this investment was intended for housing. In 2002, the British government established the Social Enterprise Unit (SEU - Social Enterprise Unit), Department of Trade and Industry (DTI - Department of Trade and Industry, in return for the performance of social enterprises in the country, as a way to recognize the potential entrepreneur of the country. SEU's objectives were to study the dimension of social activity in the UK, with the aim of regulating the business environment in supporting social enterprises, and find ways to help them improve their performance (Haugh and Kitson, 2007). Since

then, the government has supported the CDFI - Community Development Finance Institutions, introduced new rates with tax benefits for investors by creating a new framework companies with corporate interests, extended the Loan Guarantee Scheme for small companies to include social enterprises, encouraged the provision of appropriate support for these companies and supported the development of the Coalition of Social Enterprises to provide a unified voice for the industry when it comes to government and other stakeholders (Haugh and Kitson, 2007).

Government policies in Denmark are statistics that are redone annually and consistently in favor of the new companies. Support for new and growing firms is a high priority for government policy nationally and locally. Thus, new businesses can obtain all permits and licenses required in about a week, and still have low taxes that are applied to new companies and growing businesses in a consistent and predictable way (Schøtt, 2009). Denmark adopts procedures for public policies to support effective entrepreneurship, which extend to all enterprises and which are audited annually. These policies include benefits such as: contact with all policies in one agency, science parks and incubators, adequate number of government programs for new and growing companies, among other programs that target the growth and development of social enterprises. GEM data (2009) shows that the country has a large representation of social enterprises compared with commercial enterprises, ie Danish companies tend to give more importance to social goals than to economic goals. It is clear the the Danish Government is concerned with the implementation of public policies to support social entrepreneurship. The Centers for Social Entrepreneurship at the University of Roskilde, with masters and doctoral students, as well as the Copenhagen Business School have increased their activities in social entrepreneurship. Several Danish cities are also in the process of developing strategies for social enterprises (SCHØTT, 2009).

Some initiatives initially sponsored by the government can reach a degree of autonomy to the point of becoming social organizations to support social entrepreneurship totally disentangled from the public initiative and achieve independence and sustainability in its activities. This applies to the:

Reflections on Public Policy to Support Social Enterprise in Brazil

Social entrepreneurship in the world is an increasingly recurring theme. Several studies and investigations reach conclusions that show the importance of the performance of this sector in society, as well as the importance of the state as a tool to support these ventures. However, Brazil still lacks regulations, research and mainly government support for the social sector to grow and develop at the pace and the sat-

isfaction in business ventures. Data from the GEM (2004) outline a profile of the social entrepreneur as someone who is older, usually a woman, with high levels of education and income, with a profile very close to volunteering, which is not synonymous with social entrepreneur. The social causes are still carried out with a certain timidity, and by people who have the condition and are prepared for risks and calculated economic losses. It is in this context that the role of the state as promoter of social causes is necessary, not only to facilitate the growth of people newly entering in the social sphere, but also so that the existing social enterprises grow and develop in a self-sustaining way and thus serve as a tool to support new ventures.

The diversity of “visions, ideologies, theories and philosophies” of social organizations (Moulaert; Ailenei, 2005) is reflected in the institutional heterogeneity of the third sector. The organizations vary in size – and can be small informal community groups and associations, or large organizations, legally constituted as non-governmental organizations: associations, cooperatives and charities (Haugh; Kitson, 2007). That is, social enterprises have different needs and actions, which can vary by type of service / product offered at the community level in which they are embedded, by their social goals, by their geographical location, among several other factors. Thus, if there is so much diversity among social enterprises differentiated public policies should be considered in order to meet each of these project’s needs more efficiently and reliably, both for the community and for the stakeholders involved in the activities.

As mentioned in the text, the direct intervention of the state in social entrepreneurship may not be the most effective form of support, and according to Verreyne and Luke (2006) there may be a tendency to see the role of government as a facilitator rather than direct provider of social services and economic needs. Birley and Muzyka (2004) state that the government can engage in a number of roles as financier of funds for basic community development services aimed mainly at cases where the market has failed to supply the funding of these services, uniting catalysts and similar organizations or those that have the same social goals in order to standardize the products and services offered, seeking cooperation and mutual benefit of these organizations. The government can also encourage continuous quality improvement by encouraging benchmarking between organizations to support social entrepreneurship, it can regulate and provide a system of quality certification for these projects, show the “inside track” stimulating long-term development of these organizations, self-knowledge and the consequences of their actions, both for society and for other organizations. According to Schøtt (2009) in most countries, social enterprises are not large, but small businesses. Although there are a small number of large organizations with an income of sev-

eral million pounds (eg Oxfam, Royal National Institute for the Blind, Barnardos UK), most are small and turnover (Osborne; Hems, 1995; Salamon et al, 2003). Another feature of voluntary and community organizations in the third sector is its dependence on income from traditional philanthropy and donations. And as in commercial entrepreneurship, small businesses are unable to obtain many advantages over suppliers and costs as are large organizations. This disadvantage can be solved with cooperatives and social enterprises working in the same field, this is a gap that the government can act upon with political support. The government has its own channels that can foster social entrepreneurship in Brazil, for example, there are embassies around the world that can help small businesses to join together and start marketing their products internationally (Birley; Muzyka, 2004).

Thus, it is possible to know that in some areas in which the Brazilian government can act as a tool to support social enterprise, promoting growth and sustainable development, as highlighted by Franco (2000):

“Local development enables the emergence of more sustainable communities, able to meet their immediate needs, find local vocations and arouse their specific potential, and foster exchanges outside taking advantage of their local advantages. Its guiding lights are: training for management, diagnosis and participatory planning, cooperation, fostering entrepreneurship, joint public offering of programs with the social demand of the locality and the creation of a new institutional participatory “(Franco, 2000).

Although the Brazilian government created the National Solidarity Economy, in 2003, under the Ministry of Labour and Employment, with the aim of promoting the strengthening and promotion of economic solidarity through integrated policies with the purpose of generating work and income, social inclusion and promotion of justice and solidarity, additional measures are still necessary to strengthen the social enterprise. For example, Santiago and Borges (2010) stress the “Crisis of Discouragement” throughout the creation process faced by social entrepreneurs as a result of the difficulty faced and little support received, likewise, Godói-de-Sousa and Fischer (2011) warn of the need to discuss the succession in Brazilian social enterprise, which is another difficulty faced along the way, and yet, Lezana and Vasconcelos (2012) commented on the difficulty in obtaining Brazilian social enterprise visibility and social representativeness.

Proposals for Public Initiatives for Social Entrepreneurship in Brazil

In summary, considering the Brazilian context, given the analysis of programs and policies to promote social entrepreneurship in countries commented, some public policy

proposals that constitute axes of action with goals for improvement for social entrepreneurship Brazil were drawn, as follows:

a) Promote the creation of a Centralized Agency for Policy Support of Social Entrepreneurship, with local support and to act as an institution articulation between local policies and other organizations of a social nature, thus creating a process synergist on a local, state, and national level.

b) Create a database with comprehensive and data interoperability between organizations and support agencies. Scarce or nonexistent data and data not organized in an irrelevant database make comparison impossible for a further definition of the sector, making it impossible to identify trends and reliable data on social entrepreneurship. Construct integration of data and information subsystems containing records of experiences, academic research and industry reports that are underutilized and dispersed in different institutions providing widespread access to these databases that are facilitated by the internet.

c) Adopt measures to increase the visibility of companies through communication and social mobilization. Involving local television stations and community radio with social enterprises in the region diffusing preceptions of social entrepreneurship. Monitoring and dissemination of social ventures can also increase reliability for investors, employees and other institutions seek integration and cooperation.

d) Knowing the role of the third sector, the numbers and the groups of greatest need through an integrated, reliable and regularly updated database.

e) encourage the study of local schools, as information about the city where they live, the culture of origin of its immigrants, economic, social and local problems regarding the local environment, as a way of turning children into future citizens aware of their reality and aware of how they can act in society in order to change this scenario. Opportunities for achieving social and cultural goals, and the economic need to be promoted and integrated into the social fabric (GEM, 2007). Encourage further research programs in universities giving full support to researchers in this theme.

f) Seek various partners involved as research centers, academia, advocacy organizations and funding, NGOs, social entrepreneurs, public administrators, community organizations and unions in order to find common interests.

g) Identify the groups that are waiting for socioeconomic policies (people with disabilities, youth and children, the elderly, people with low income, the unemployed, racial minority, etc.) into subgroups according to need: employment,

social assistance, education / child care, health, housing, etc.. That way you can identify areas where social entrepreneurship can act in a certain region.

h) Promote the provision of products and services according to the needs of subgroups. Ex: A Recycling Cooperative or Regional Community Centre of Embroiderers to promote the job creation and environmental preservation, encouragement for volunteering for sports, recreational and / or educational activities with children, young people and the elderly, among others.

i) Involve the local people in the management of structures of the third sector seeking the improvement of local social capital. Social capital is understood to be networks between people through which interpersonal trust is created (Coleman, 1988; Iyer et al, 2005; Putnam, 2000). There are studies that positively relate social capital with economic development (Knack and Keefer, 1997) and the development of young people especially those at risk (Furstenburg and Hughes, 1995).

j) Organize an integrated system of financial support for social entrepreneurs able to identify investment opportunities in the region and identify social entrepreneurship opportunities, or even in more remote locations that have an interest in investing in social causes in other regions, later becoming a promoter of local development.

It is important to know that the work of social enterprises can not replace the role of government, nor should it be subservient to it. These propositions are only a starting point to support the development of the local community, the best distribution of goods and services, promoting individual and collective emancipation, which is one of the main foundations of social entrepreneurship.

Final Thoughts

Social entrepreneurship has been gaining government support in various countries, thereby creating opportunities for minorities and individuals lacking resources. It is important to highlight that the profile of social entrepreneurs identified in the studies is not compatible with the proposals of social entrepreneurship and social goals, exclusion and employment. This requires public policies that approximate the profile of entrepreneurs with the objectives to be reached, so that the entrepreneur identifies with the cause for which they are fighting.

There is still the need, according to Tan et al (2005), to discuss the meaning of "social" as part of "social entrepreneurship" and the importance of motivation for altruistic goals and collective emancipation, social and political. Public policy

can be an important channel to demarcate what is the social context of Social Entrepreneurship.

References

- AMIN, A.; Cameron, A.; Hudson, R. *Placing the Social Economy*, London, Routledge, 2002.
- ANHEIER, H. K.. *Nonprofit Organizations. Theory, Management, Policy*. London: Routledge, 2005.
- BIRLEY, S.; Muzyka, D.F. *Dominando os Desafios do empreendedor. O se guia para se tornar um empreendedor*. São Paulo: Prentice Hall, 2004.
- BOLTON, B.; Thompson, J. *Entrepreneurs, talent, temperament, technique*. 2ª Ed. Oxford: Elsevier Butterworth-Heinemann, 2004.
- BORNSTEIN, David. *School Social Entrepreneurship – Au. What is a social entrepreneur?* <http://www.sse.org.au/about.php?sub=WIASE> Accessed: 03/01/2011.
- BUBB, S. *In the right hands*. Public Finance, 3 February, 2006.
- Coates, D. *The State as ‘Lubricator’: the Impact of New Labour’s Economic Policy. A Report on New Labour’s First Term in Office*, Wake Forest University, North Carolina, 2002.
- COLEMAN, J. S. *Social capital and the creation of human capital*. *American Journal of Sociology*, 95–120, 1988.
- DEES, J. G. *Taking Social Entrepreneurship Seriously*, *Society* 44(3), 24–31, 2007. http://www.fuqua.duke.edu/centers/case/documents/dees_SE.pdf. Accessed 16/12/2010.
- DESS, J. G. *The Meaning of Social Entrepreneurship*. 1998. http://www.fuqua.duke.edu/centers/case/documents/dees_SE.pdf. Accessed 16/12/2010.
- DTI. *‘Social Enterprise: Strategy for Success’*, London, DTI, 2002.
- EMES. 2011. *Social Enterprises: A New Model for Poverty Reduction and Employment. Generation: An Examination of the Concept and Practice in Europe and the Commonwealth of Independent States*. UNDP Bratislava. www.emes.net. Accessed 02/01/2011.
- FRANCO, A. *Porque precisamos de Desenvolvimento Local Integrado e Sustentável*. Brasília: Millenium, 2000.
- FURSTENBURG, F.; Hughes, M. *Social capital and successful development among at-risk youth*. *Journal of Marriage and the Family*, vol. 57, 580–92, 1995.
- GEM (2007). *Global Entrepreneurship Monitor Hong Kong 2007*. <http://www.gemconsortium.org/>. Accessed 08/12/2010
- GEM (2008). *Global Entrepreneurship Monitor 2008 National Entrepreneurial Assessment for the United States of America*. <http://www.gemconsortium.org/>.
- HAUGH, H; Kitson, M. *The Third Way and the third sector: New Labour’s economic policy and the social economy*. *Cambridge Journal of Economics*, 31, 973–994, 2007.
- HAUGHTON, C. *‘The Edge of Reason’*, *Director* 61(7), 70–74, 2008.
- HM Treasury. *Futurebuilders: An Investment Fund for Voluntary Sector Public Service Delivery. Proposals for Consultation*, London, HM Treasury, 2003.
- HM Treasury and Cabinet Office. *‘The Future Role of the Third Sector in Social and Economic Regeneration: Interim Report’*. HM Treasury, December, 2006.
- HOME OFFICE. *‘ChangeUp. Capacity Building and Infrastructure Framework for the Voluntary and Community Sector’*. London, Home Office, 2004.
- IYER, S.; Kitson, M.; TOH, B. *Social Capital, Economic Growth and Regional Development*. *Regional Studies*, vol. 39, n. 8, 1015–1040, 2005.
- KENDALL, J. *The Voluntary Sector, Comparative Perspectives in the UK*. London, Routledge, 2003.
- KNACK, S.; Keefer, P. *Does social capital have an economic payoff? A cross-country investigation*. *Quarterly Journal of Economics*, vol. 112, n. 4, 1251–88, 1997.
- LANDIM, L. *Para além do mercado e do Estado? Filantropia e cidadania no Brasil*. Rio de Janeiro: ISER, 1993.
- LETTIS, C.W.; Ryan, W.; Grossman, A. *Virtuous Capital: What Foundations Can Learn from Venture Capitals*. In: Sahlman, William A.; Oberfield, Alice; Dees, J. Gregory. *Starting A Nonprofit Venture*. In: Sahlman, W. A.; Stevenson, H. H.; Roberts, M. J.; Bhidé, A. (Orgs.) *The entrepreneurial venture*. Boston: Harvard Business School Press, 1999.
- LUKE, B.; Verreynne, M.-L. *Social enterprise in the public sector. MetService: thinking beyond the weather*. *International Journal of Social Economics* Vol. 33 No. 5/6, pp. 432–445, 2006.
- MELO Neto, F. de P.; FROES, C. *Empreendedorismo Social*. Rio de Janeiro, Qualitymark, 2002.

MOULAERT, F.; Ailenei, O. Social economy, third sector and solidarity relations: a conceptual synthesis from history to present. *Urban Studies*, vol. 42, n. 11, 2037–53, 2005.

OECD. (1999). *Entrepreneurship Review of Denmark*. Paris, OECD, Directorate for Science, Technology and Industry.

OSBOURNE, S.; Hems, L. The economic structure of the charitable sector in the United Kingdom. *Non-profit and Voluntary Sector Quarterly*, vol. 24, no. 4, 321–36, 1995.

PUTNAM, R. *Bowling Alone: the Collapse and Revival of American Community*. New York, Simon and Schuster, 2000.

SALAMON, L. A emergência do terceiro setor: uma revolução associativa global. *Revista de Administração, São Paulo*, v.33, n. 1, p.05-11, jan/mar 1998. Salamon, L.; Sokolowski, S. W.; List, R. *Global Civil Society, An Overview*. Maryland, Johns Hopkins Comparative Non-profit Sector Project, 2003.

SCHØTT, T. (2009). *Social and Commercial Entrepreneurship in Denmark 2009*. Studied via Global Entrepreneurship Monitor – GEM.

SHARIR, M.; Lerner, M. Gauging the success of social ventures initiated by individual social entrepreneurs. *Journal of World Business*, 41 6–20, 2006.

STEVENSON, H. H.; Roberts, M. J.; Bhidé, A. (Orgs.) *The entrepreneurial venture*. Boston: Harvard Business School Press, 1999.

STEINBEIS FOUNDATION - <http://www.stw.de>

THOMAS, H.; Au, K.; Leung, L.; Suen, B.; Yip, S.; Lo, R. *Global Entrepreneurship Monitor - Hong Kong 2007*. <http://www.gemconsortium.org>. Accessed 03/01/2011.

VMEC - Vermont for a Manufacturing Extension Partnership (MEP) Manufacturing Extension Center. <http://www.vmec.org/>. Accessed 20/12/2010

WILDING, K.; Clark, J.; Griffith, M.; Jochum, V.; Wainwright, S. *The UK Voluntary Sector Almanac*. London, NCVO, 2006.

YUJICO, E. Connecting the dots in social entrepreneurship through the capabilities approach. *Socio-Economic Review* 6, 493–513, 2008.