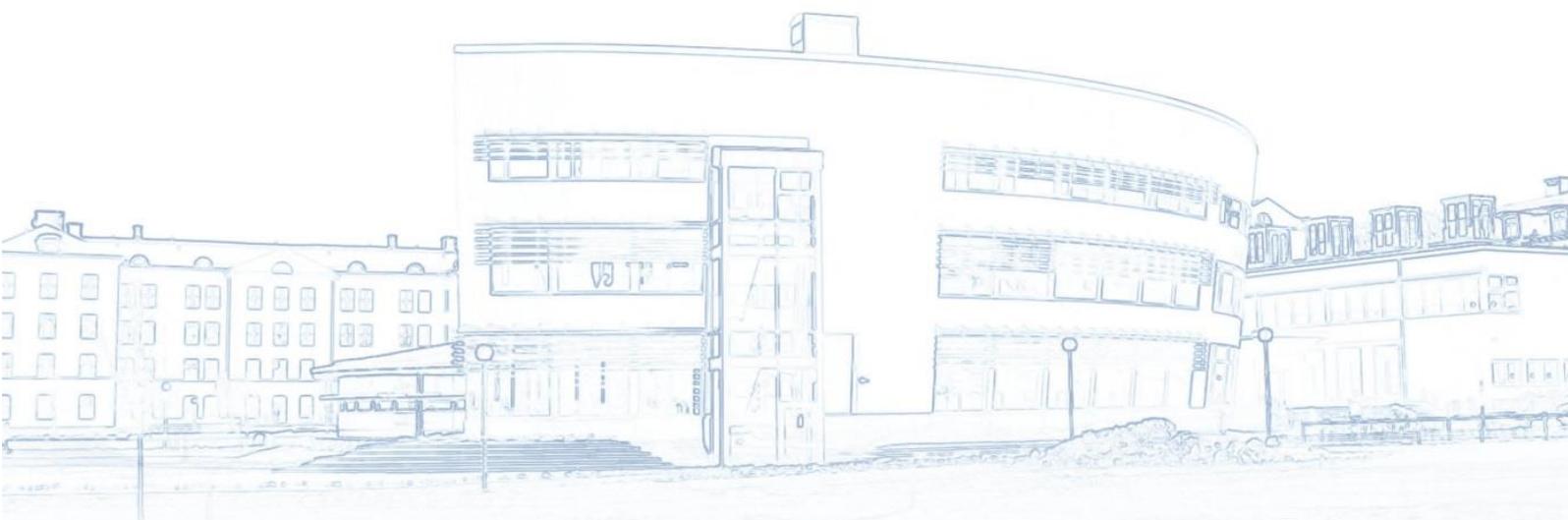


Social Entrepreneurship,  
Population Health and Wellbeing  
in the Swedish Welfare  
Opportunities and Challenges

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# Social Entrepreneurship, Population Health and Wellbeing in the Swedish Welfare

## Opportunities and Challenges

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## Abstract

Social entrepreneurs tend to combine revenue goals with serving social needs, and thus operate within both for-profit and non-profit institutional structures. The double bottom line poses social entrepreneurs the challenge of balancing social value creation with market realities. Social entrepreneurship can have an impact on the sustainable development goals, particularly Goal 3 (health for all people at all ages). In Sweden, social entrepreneurship is still a new conception that needs to be understood as a part of the country's evolving public welfare system. The aim of the present short report is to assess how social entrepreneurs have promoted health and wellbeing in the Swedish context, and to identify future opportunities and challenges.

From the population health perspective, and in the context of sustainable development, we see a research opportunity to analyse social enterprise as an upstream health intervention to improve the social determinants of health and wellbeing.

**Keywords:** Social entrepreneurship, Sweden, population health, social determinants, upstream intervention



## **Table of Contents**

<b>Introduction</b>	<b>1</b>
<b>Social entrepreneurship and health promotion in the Swedish welfare context</b>	<b>3</b>
<b>Opportunities, challenges, and the way forward</b>	<b>4</b>
<b>References</b>	<b>5</b>



# Introduction

Although there is still debate around the definition of social entrepreneurship many agree that it involves solving problems while creating and sustaining social values (1). Some argue that the vagueness of the definition and theorization of social entrepreneurship is rooted in its bi-directional nature; that is, the economic and social orientations that fuel its empirical complexity and the hybridity of its forms. Social entrepreneurs tend to combine revenue goals with serving social needs, and thus operate within both for-profit and non-profit institutional structures. The “double bottom line” (2,3) poses social entrepreneurs the challenge of balancing social value creation with market realities (4-7).

The focus in this short report is on social entrepreneurship as a form of organization that combines both social and business objectives (8). In recent years, there has been agreement that business enterprises can play an important role in addressing the most pressing societal problems which stand in the way of the Sustainable Development Goals (SDGs) (9-12). However, some argue that the role of social enterprises in achieving the SDGs will be a challenging one, given that these goals include 169 targets and 230 indicators and there is a wide diversity in models of social enterprise around the globe (9). It is argued that although non-governmental and non-profit organizations have taken a central role in these activities, they often lack financial resources, while business enterprises are more likely to have resources that can scale potential solutions to produce self-sustaining models for positive social change across communities (13,15,16).

According to the European Union Commission, social entrepreneurship is an activity whose primary purposes are to pursue social goals; to produce goods and services in a highly entrepreneurial, innovative, and efficient manner with the aim of generating benefits for society and citizens; to use surpluses mainly to achieve social goals; and to accomplish its mission by involving the workers, customers, and stakeholders who are affected by its business activity (13). Thus, the prime objective of social entrepreneurship is to generate and maximize social value while remaining economically profitable. Furthermore, it is argued that social entrepreneurs can create social value by providing a social benefit for all, as well as economic value through jobs and income, while implementing their vision and mission (12).

On the other hand, social enterprises are perceived as places that provide “good work” to their employees. For instance, the limited amount of research that has emerged points to the participatory nature of social enterprises in seeking to involve employees in decision-making that provides supportive work environments to benefit workers (17-19). It is argued that by allowing employees to exert control through participatory decision-making and providing them with adequate support, social enterprises cover two important determinants of “good” work thought to positively impact upon employee health and wellbeing (20-22). Further empirical evidence, which again is limited, suggests that the employees of social enterprises experience manageable demands, work flexibility, and flexibility in workplace training as well as development opportunities (e.g. continuing education), which are all known to be components of good work (23-25).

One possible explanation for why social enterprises might provide good work is that their main goal is to improve the lives of individuals and the communities they serve (e.g. by providing employment) (26). Several scholars have recently argued for the role of social entrepreneurship in addressing the social determinants of health in order to work towards the achievement of health equity (8,10,28-34), which in turn will have an impact on the SDGs, particularly SDG 3 (health for all people at all ages) (9). The social determinants of health are the conditions in which people are born, grow, live, work, and age. These circumstances are shaped by the distribution of money, power, and resources at the global, national, and local levels (35,36), and are linked to the socio-economic context. Social enterprises have the capability to work at the local level with individuals, households, and communities in urban and rural contexts, to build their capabilities and resilience when facing health inequalities (37), thus serving as an upstream intervention to promote health and wellbeing (8,29-33,37-38). According to the most recent (albeit limited) evidence, mostly from UK and Canada, social entrepreneur-led activity has an impact on health and wellbeing across different groups in society (28,40-42).

Building on existing literature, the aim of the present short report is to assess how social entrepreneurs have promoted health and wellbeing in the Swedish context, and to identify future opportunities and challenges. The following questions will be answered:

- a) How has social entrepreneurship contributed to health promotion in the context of the welfare state?
- b) What are the potential opportunities and challenges faced by social entrepreneurs in their attempt to tackle societal challenges linked to population health promotion?

## **Social entrepreneurship and health promotion in the Swedish welfare context**

According to a number of reports, social entrepreneurship is still a new conception in the Swedish context, and needs to be understood as a part of the country's evolving public welfare system (26,43-45). Moreover, it has been suggested that social entrepreneurship in Sweden largely consists of two groups: "Samhällsentreprenör" and "Social Entreprenör". The first term describes taking innovative initiatives to enhance society in some way, while the second term designates a more pure "social term" that points to innovations aimed at impacting people in society (comprising a subset of the first term) (44). In addition, there is a consensus that Swedish social enterprises consist of various types of organizations including work integration social enterprises (WISE) and other forms of non-profit associations, economic associations, and limited companies (26,43-45). In 2018, the Swedish government initiated a new strategy for social entrepreneurship, aimed at creating a sustainable society through social entrepreneurship and social innovation (45). The National Agency for Economic and Regional Growth (45) currently offers grants to social entrepreneurship initiatives throughout the country with regional coordination for the development of social entrepreneurship and social innovation; this is a sign of the increasing importance of such initiatives both in addressing increasing societal challenges and in sustainable development.

A search for peer-reviewed studies addressing the impact of social entrepreneurship on health and wellbeing in Sweden revealed only one study in the area of healthcare. In 2005, Tillmar analysed the activities carried out by two social entrepreneurs in the areas of yoga and maternal health (44). The owner of the yoga institute was mainly interested in sharing the Kundalini tradition of yoga in Sweden and internationally. On the other hand, the owner of the midwife clinic aimed to help pregnant women understand the importance of exercise and movement during pregnancy, and to give them a place to discuss their worries about their pregnancy and other potential needs which were not addressed within the mainstream healthcare system. Although there were some differences between these two social enterprises, Tillmar considered them both to be frontier-crossing because their owners aimed to improve the world by running an economically viable business, to complement their professions with a business within the same sector, to build bridges while at the same time challenging the mainstream, and to run a business while being employed (44).

## Opportunities, challenges, and the way forward

Social enterprise in Sweden is well positioned to help tackle the difficult societal problems which might overburden the current social welfare system. According to some, the innovations of social entrepreneurs might be the result of a welfare state failure which has made room for business incubators to become a driving force (46). From the public health and population health perspective, social enterprises can help promote health and wellbeing among socially excluded groups including segregated individuals such as immigrants and other people experiencing relative poverty and lack of employment opportunities, the long-term unemployed, young unemployed people, and unemployed people with disabilities (8,29-31,46). Furthermore, social enterprises can contribute to reducing economic inequality through the provision of income from work training and potential work positions. Social enterprises might also offer a way to help promote the wellbeing of elderly people through wellness programs. The impact of this is magnified when one takes into account the unfolding challenge of population aging that might be associated with increases in healthcare costs, pension costs, use of adapted housing, and loneliness (41,47).

However, there are many challenges that social enterprises might face within the Swedish context, as also has been found elsewhere. The first major challenge is the lack of legal frameworks, financial support options, and scale-up systems that many social enterprises experience within the country. A small proportion of social enterprises have tackled this by taking the legal form of foundations, cooperatives (e.g. WISE), or hybrid legal solutions (27,43). The downside of this strategy is that it may pose difficulties regarding both transparency and measuring the impact of the work done by these enterprises. In addition, the majority of Swedish social enterprises are young or small-scale businesses with no or very limited revenue and few full-time employees (27,43,44). Furthermore, it is argued that many social enterprises are still considered non-profit organizations. Several national reports point to the insurmountable administrative bureaucracy and economic difficulties experienced by social entrepreneurs in all sectors and regions across the country.

Another great challenge is how to measure the social impact of social entrepreneurship. Some ask what types of entrepreneurs cause more long-term and sustainable social impact. According to the social entrepreneurship literature, social impact assessment is a means of demonstrating the benefits that a social venture brings to society, for example by meeting a previously-unsatisfied social need, by delivering a superior product or social service, by offering higher social value to its beneficiaries, or by promoting awareness and behavioural change among its targets (48). McLoughlin et al. argue that social entrepreneurs might need to measure their societal contribution (and their competitive advantage over alternative providers) in a systematic, effective, and appropriate way (49). Performance measurement, which is considered a measured impact of a business venture, is a challenge discussed by both entrepreneurs and researchers (48,49), and can include both economic and social performance. Economic performance comprises the traditional indicators of business success such as revenue, number of staff, and number of activities, while social performance is related to the beneficiary side and is measured by the number of clients that benefit and how many of the potential target population have been reached. In contrast to the performance measurement variables, social impact refers to effects on the society as a whole, and is indicated by the stated wellbeing score of the target population. In Sweden, it is suggested that the majority of social enterprises use some quantitative measures to communicate their qualitative work (26,27,43).

There are as yet no standardized measures for social impact outcomes (26,27,43). However, elsewhere there have been some attempts at measurement, ranging from the number of clients who were impacted by the social enterprise or who found employment, to more sophisticated measures such as social return on investment (SROI), which captures the whole social effect of the social enterprise activity (48,49). From the population health perspective, and in the context of sustainable development, we see a research opportunity to analyse social enterprise as an upstream health intervention to improve the social determinants of health within the Swedish context (8,29-33). In addition, we view social enterprise as a vehicle to promote public health through sustainable development practices aimed at improving health and wellbeing through the life course for both current and future generations (51,52).

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