

a practical toolkit for
SUPPORTING SOCIAL ENTERPRISE





Social enterprise is the fastest growing sector in the world!

In the last decade the number of internationally operating social enterprises has grown from 6,000 to 27,000. Job creation in the social enterprise sector in the USA, Japan and EU is currently running at 3 times that of the private sector.

In the UK social enterprises make up 1.2% of all enterprises, employing 775,000 and contributing £8.4bn annually to the economy (SBS, 2005).

The North East has 590 social enterprises operating in the region (Angier Griffin, 2007). When considering the rapid growth of social enterprise and their role in tackling some of the regions most entrenched social issues, the economic impact of supporting growth within the sector should not be underestimated.



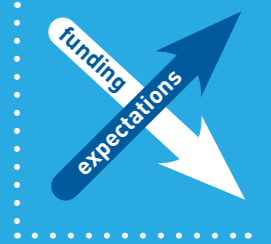
This toolkit does not aim to present a model for supporting social enterprise with an 'a-z' set of instructions... if only it were that simple!

What we have attempted to do is present a range of ideas, insights and tools that will help you make a real difference. These tools can help you create a different future for organisations, catalysing culture change and a more enterprising outlook, one that is more sustainable and one that offers them the ability to make even more of a difference.

1) OVERVIEW

Making the shift from voluntary organisations to social enterprise!

The world is changing and so must all those who fall under the social enterprise mantle. Public funding is being squeezed and is less predictable, whilst the experiences and expectations people now have in every-day life are far greater than ever before. Such factors have led to an environment in which 'more' is expected for 'less', and has increased the demands on the service levels required from social enterprise.



So what exactly is a social enterprise?

The term social enterprise is a chaotic concept, it seems most people have a slightly different view of what it is, at one end of the continuum being confused with charity and at the other being confused with corporate social responsibility.

Regardless of their legal form and structure, social enterprises commonly:

- ⇒ exist to achieve social objectives
- ⇒ re-invest their profits into activities that will help them achieve their social objectives.

Social enterprises in fact draw the best from across the continuum, combining the social drive of the charity sector with the business nous of a profit driven enterprise.



Why become a social enterprise?

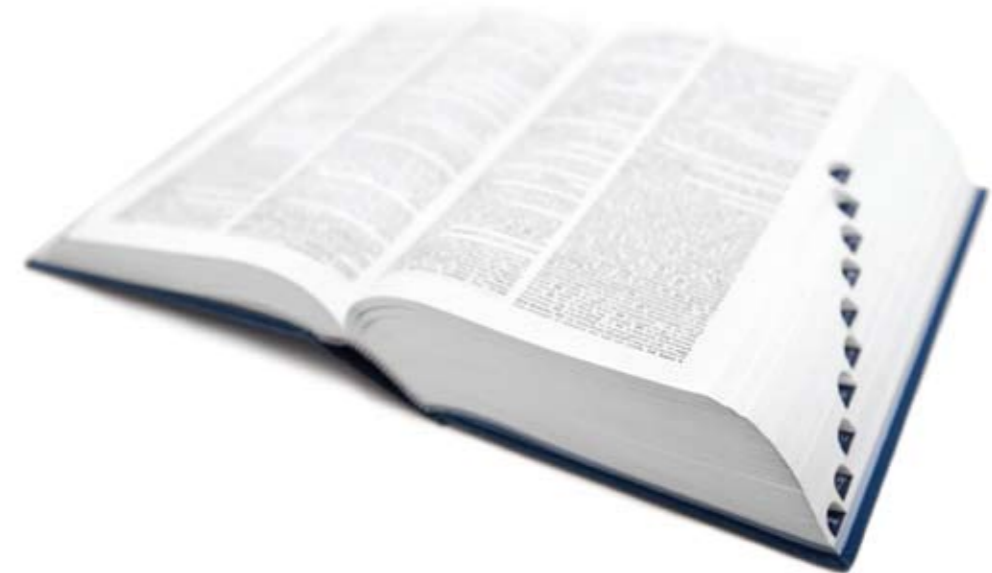
This is a question asked time and time again – well let's get one thing straight, people don't wake up in the morning and say, 'I am going to start a social enterprise', however they do wake up in the morning with a desire to 'change the world'!

Therefore social enterprise is not something that can be 'sold', it is simply something the business becomes through using enterprise as a 'means' of achieving social objectives such as, providing better care to the elderly, reducing poverty or improving the environment in the local community.

So the real question is, why should I develop a business that can make the world a better place, whilst fulfilling my career aspirations? A no brainer I hear you say!

social enterprise: *a business with primarily social objectives whose surpluses are re-invested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders or owners of the business*

Cabinet Office, November 2006



2) INSIGHT

Before we begin, there are a few things that you might want to think about...

DISPELLING THE MYTHS

There are several common myths held by people when considering what a social enterprise is; such myths shape people's perceptions about social enterprise. Let's take this opportunity to challenge some misconceptions:



YOU CAN'T BECOME A SOCIAL ENTERPRISE OVERNIGHT

Transformation from a voluntary organisation to a social enterprise cannot happen instantaneously, it's not about a quick fix and it's certainly not about just creating a trading arm of the organisation and calling it a social enterprise. It's about shifting the whole culture of the organisation and its people in the way they think and act...so that a more entrepreneurial and commercial way of doing things is embedded in everything which everyone does, everyday.



IT'S NOT ALL SANDALS AND BEARDS

Don't assume that businesses with a social purpose are not enterprising; they demonstrate enterprising behaviours that are often aimed at the achievement of social goals rather than at financial goals. These enterprising behaviours can manifest themselves in different roles once the connection between financial goals and the sustainable achievement of social goals has been made.



THEY MEET PERSONAL CAREER AND FINANCIAL AMBITIONS

Social enterprises are magnets for talent, and as such are not a fad. Gone are the days that working for a socially focused organisation meant the sacrifice of salary or career. Social enterprises provide a challenging environment (more challenging than most businesses) that meets financial, social and career goals.

BIG -TRENDS -OPPORTUNITIES

Social enterprises are increasingly being seen by central government and local authorities as a means of delivering innovative local services to disadvantaged groups. Billions of pounds are being poured into services for needy groups and communities, those which social enterprise serve.

Changes in society are providing new opportunities. Consumers are developing a more ethical conscience and this is affecting their purchasing decisions. Demographic changes (such as an aging population – but also one which is younger in spirit and more prosperous than previous generations) mean that new possibilities exist for those organisations that, for example, provide services to older people.

Some examples:

TREND – nearly a quarter of children in Great Britain live in lone-parent families (more than three times the number in 1972).

OPPORTUNITY – why not provide flexible, high-quality and affordable child care services, allowing lone-parents to get and keep a job?

TREND – old schools are being closed and sold off under the Building Schools for the Future programme; some public buildings are under used.

OPPORTUNITY – turn the building into a community asset, perhaps combining managed workspace with community facilities!

TREND – the health service is under increased pressure through obesity becoming epidemic and people living longer in poor health.

OPPORTUNITY – provide food education services and healthy option catering facilities.

SAMPLE



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This toolkit forms part of the broker social enterprise training programme which has been developed on behalf of Business Link by Winning Moves Limited. **T:** 01785 827600 **W:** www.winningmoves.com