

INTRODUCTION TO SOCIAL ENTERPRISE

RESOURCE PACKAGE



Canadian Centre for Community Renewal
Centre for Community Enterprise
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Canadian Rural Partnership—Partenariat rural canadien

Canada



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This resource package was completed by the Centre for Community Enterprise for The Development Wheel Project (2005-2008). Readers are encouraged to copy and forward this document, in whole or in part, as they wish. Please send comments and suggestions to:

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This collection of resources is intended to provide a brief overview of social enterprise for busy professionals beginning to explore this concept. It introduces key concepts and recommends additional resources.

Much of the information here is summarized from more comprehensive resources (which are listed in the resources section), but organizations suggested that they often did not have the time, or the knowledge early on, to be able to review all the information that exists and to “pull out” the key points that they needed for their organizations, or their clients.

B.C. examples and resources receive the most attention here, but there are certainly other resources available across Canada, from the US and the UK in particular. Some of the websites listed concern resources outside B.C. We hope this is a helpful starting point that will direct you to a more comprehensive array of stories, tools and other resources.

The sections are designed to be used collectively, as a set of information, or separately for very particular purposes or audiences. Because of this, some of the basics are repeated quickly in more than one section.

What’s Inside?

- I. What is a Social Enterprise
- II. Examples of Social Enterprise
- III. How does Social Enterprise Differ from Traditional Business
- IV. What are the Steps in Social Enterprise Development
- V. The Development Wheel Checklists
- VI. Social Enterprise Resources and Consultants in BC

How to use this information?

- Non-profits, charities or groups of citizens who are just starting to explore social enterprise may find Section I: useful to orient their boards or staff. Likewise, sections IV and V present the development stages and key considerations. The Resources section provides access to a more complete range of detailed guides and sources of information.
- Organizations that are supporting others to develop social enterprise, such as Community Futures, Aboriginal Development Corporations or United Ways may find this information useful to share with constituents who are asking about social enterprise development for the first time.
- Both these kinds of organizations may be playing a role to create more awareness and support for social enterprise in their community. It is hoped that Sections I, II and II may be useful handouts for this purpose as well.

Sharing and Feedback?

Please *share this information* with others in your networks, and *contact us* to suggest alterations or tell us how it worked for you: mcolussi@telus.net

I. What is a Social Enterprise?

Social enterprises are businesses with two goals: to earn revenue through the sales of goods or services and to achieve social, cultural or environmental outcomes.

This definition is also relevant in the historical context, when one traces the birth of social enterprise in England just over 160 years ago. The impoverishment and displacement created in the 19th century by the Industrial Revolution compelled people to invent new ways to re-insert social goals into the economic domain. Early in the 20th century, similar movements emerged in Canada. The organizing of farmers in the Prairies and of fishermen in the Maritimes are just two examples. A range of social enterprises emerged as a response to the struggle against the injustices of exploitative companies and unfair prices that caused the impoverishment of people and communities; with co-operatives and credit unions being two notable models.

A social enterprise is a business with primarily social, cultural or environmental purposes whose surpluses are reinvested for that purpose in the business or in the community.

Public, Private and Voluntary Sectors: Where does Social Enterprise Fit?

Traditionally, the ways of thinking about how economic life is organized and defined, has fallen into three sectors: private, public, and voluntary or community sector.

The private sector is profit driven. It seeks to maximize financial returns to individual owners called shareholders. One dollar equals one vote; thus, those who own the most shares exercise the most control. In the most general terms, the private sector operates based on competition, defines success in terms of individual gain, and makes financial return to shareholders the first priority. The economic principle that is central to this system is *efficiency*.

The public sector, the domain of governments, is about redistribution and planning. Its major focus is the provision of public goods and services. Many of the services we value most highly—health, education, the care of children and the elderly, to name a few—have come into place through the government. The central economic goal of the public sector is greater *equality*.

The voluntary sector is about citizens taking action to meet and satisfy needs, and working together in some collaborative way to do this. Organisations in this realm emphasise mutual and collective benefit. Their aim is to foster a greater measure of solidarity among human beings, their communities, and society as a whole. The values of mutuality, self-help, caring for people and the environment, are given higher priority than maximizing profits. The economic principle that animates organisations in the voluntary sector is *reciprocity*.

Social Enterprises operate largely within the voluntary sector, but not solely. Regardless of whether they are organized by groups of entrepreneurs (as was and is the case with farmers or fishers co-operatives or associations for example) or by voluntary sector organizations, or whether or not there are

public funds invested, they have several key features in common that distinguish them:

1. Social enterprise elevates social goals as an explicit priority in the business. A social and economic return on investment is consciously pursued, whether or not there is any public investment.
2. Building the means by which people can organize on the basis of mutual support and solidarity is a preoccupation of social enterprise. One way this is pursued is through engagement of members or beneficiaries in governance of the enterprise.
3. Collective ownership is an important means of achieving an integration of social and economic objectives and accountability to a defined constituency and the wider community.
4. Selling into the marketplace is always a central feature.
5. Profits, assets, and wealth are not distributed to individuals; they are held and invested back into the enterprise or the community.

Most social enterprises are started in order to meet one or more of the following goals:

- *To create employment or training opportunities not available in the marketplace, such as employment for people with disabilities, and providing training for individuals who have multiple barriers to employment.*
- *To strengthen the provision of organization or other community services, such as providing healthcare, increasing local food production, ensuring access to youth services, or art programs in small communities.*
- *To support non-profit self-reliance by generating earned revenue to support expanded or new programs or services.*

Social Enterprise then uses business as the primary means of achieving a social mission or purpose. This is distinct from many non-profits, who may have some market based revenue (such as through the rental of space), but whose market activity is not the primary means of achieving their mission.

The examples in the following section begin to illustrate the scope of social enterprise activity for different purposes, across sectors, and from large to small.

Creating employment...
enhancing
services...supporting
financial stability

Lawn and Garden Smart is a social enterprise operated by the Evergreen Foundation in order to earn revenue and promote it's mission. It offers homeowners landscaping services that are environmentally friendly.

Starworks is a light manufacturing and assembly plant that is focussed on hiring and supporting employees who have developmental disabilities. It is operated by the Developmental Disabilities Association.

WIN (Women In Need) Worker Co-operative sells donated clothing and household items to support services for women and their children. The shift to a worker co-op structure also increased empowerment and ownership potential for their staff.

II. More Examples of Social Enterprises

BC-Alberta Research Alliance on the Social Economy (BALTA) has undertaken a comprehensive study of the social economy. Visit www.socialeconomy-bcalberta.ca to participate in their survey and see the results.

In Canada, social enterprises operate in both rural and urban settings, across dozens of different business sectors, and add important social, environmental and cultural value to their communities.

Businesses operated by non-profits and co-operatives range from million dollar holdings, to very small training businesses which rely on a training subsidy, as well as earned revenue to support operations. Despite the diversity of social enterprise operations, there is one thing that they all hold in common: social enterprises use a business model to address community needs that are not being met by government or the private sector.

Creating employment for people traditionally left out of the labour force

People with physical disabilities. People who live with a mental illness or learning delay. Youth-at-risk. These are just a few of the populations who often face severe obstacles finding rewarding work in the traditional labour force. Social enterprises fill this gap.

- Starting with a contract from the City of Trail in 1990 to manage landscaping, downtown clean-up and snow removal services, **Trail Career Development Services (CDS)** has become a provincial leader in creating social enterprises that provide both training and casual jobs for people working to overcome significant employment barriers. In addition to managing eight of its own social enterprise business, CDS also supports mainstream employers which hire people with disabilities – such as Wal-Mart, Safeway, Canadian Tire and Tim Horton’s - to better manage the employment needs of the CDS client-base.
- The **Prince George Native Friendship Centre** is a non-profit organization that serves the needs of Aboriginal people and works to improve the quality of life in the community as a whole. **The Smokehouse Restaurant**, a project of PGNFC, provides a 6-month pre-employment/employment training program that offers cook “Level One Curriculum” to barriered and multi-barriered individuals. The curriculum provides participants with the relevant prerequisites to “ladder” into a entry level position in the hospitality industry, pursue further culinary training, or continue on with a more streamlined academic focus.

Year first SE established: 1990
Number of social enterprises in 2007: 8
Individuals working on CDS worksites in 2007: 104
Gross revenue 2006/07: \$155,000

Year SE established: 2007 (food program was transitioned into SE)
Trainees at any given time: 10
Employment rate for trainees: 93%
Gross sales 2007/08: \$ 257,643

Enhancing service delivery options for organizations and for communities

Increasing local economic activity. Empowering people at the community level. Creating collective ownership for the purpose of strengthening specific sectors. Social enterprises are an effective and efficient way to meet local needs and interests.

- Founded in 1985, **Public Dreams Society** brings art and celebration to the community by creating participatory events, traditions and rituals that promote healthy neighbourhoods. Public Dreams is the producer of long-running Signature Events, Illuminares Lantern Procession and Parade of

Year SE established: 2004
Number of events supported in 2007: 77
Artists/actors involved: 300
Gross revenue in 2007: \$68,000

the Lost Souls. To help support and develop these community programs and other emerging initiatives, the Society offers full service event management through its mission-based social enterprise, **Imagine by Public Dreams**.

- The **Health & Home Care Society of BC** provides preventive and supportive health services that keep people healthy and in the comfort of their own homes, communities and workplaces. With over 100 years of experience in the field, the society launched **Health Promotion Services**, delivering community-tailored fee-for-service programs such as immunizations, health education and occupational health nursing. Revenue from Health Promotion Services is used to support programs such as Meals on Wheels.
- **Haida Gwaii Food Processors Co-operative** was created in order to increase the share of mushroom prices that go to the picker. The co-op pays “living wage” rates to the harvesters and has forced other buyers on the Islands to pay similar wages – thus making this activity more sustainable for the harvesters and the community. The co-op is also processing the mushrooms themselves and has plans to expand into other non-timber forest products. Profits are reinvested in increasing local food processing activities.

Helping create financial sustainability for non-profit organizations

Some non-profits see the need to create revenue outside the options and restrictions of traditional funders, such as government contracts and foundation grants. Their earned income from a business operation is unconstrained and can be allocated to enhance current programs or expand services.

- Launched in 2002, **ATIRA Property Management Inc.** is a wholly-owned subsidiary of **Atira Women’s Resource Society**, a single mandate organization that supports women and their children who have been impacted by violence and abuse. ATIRA Property Management Inc. is a successful social enterprise that offers a unique opportunity for developers, strata corporations, building owners, housing cooperatives and nonprofit societies to access the best possible property management services while giving back to their communities. The profits earned by the property management company are donated to Atira Women’s Resource Society and fully support the organization’s administrative costs.
- **MOSAIC** (Multilingual Orientation Services Association for Immigrant Communities) was founded in 1976 as a non-profit agency dedicated to serving the settlement and integration needs of new immigrants and refugees. In an effort to generate revenue for MOSAIC programming, the organization launched a fee-for-service translations and interpreting departments. Today, the **Language Services Department** is one of British Columbia’s leading language service agencies, providing approximately 14,000 interpretations and 12,000 translations every year.

Year SE established: 1997
Communities served in 2007: 120
Health Education Clinics in 2007: 1300
Immunizations administered in 2007: 17,000

Year SE established: 2005
People employed: 4 in plant and 10 contract harvesters
Production: Up to 10,000 pounds in 2007 but working with new technology to increase to 80,000 this year

Year SE established: 2002
Total number of staff in 2007: 70
Number of staff with barriers to employment: 48
Gross revenue in 2007: \$ 1.3 million

Year SE established: 1989
Gross revenue in 2007: \$ 1.7 million
Fees paid to translators, mostly new Canadians, in 2007: \$1.1 million

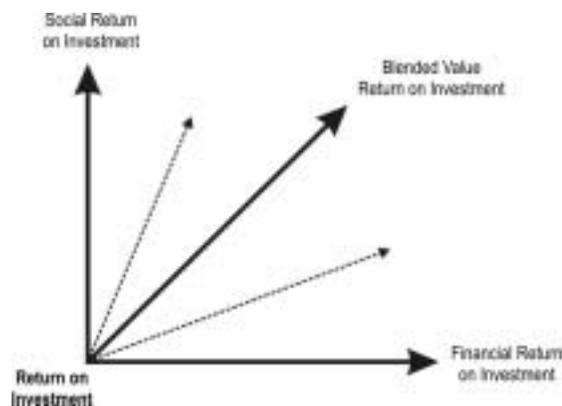
III. How does Social Enterprise Differ from Traditional Businesses?

Although the term “social enterprise” has only come into the mainstream vocabulary in the last decade or so, the work of social enterprises and social entrepreneurs dates back to the 19th century when philanthropic businessmen applied their talents to goals beyond pure profit to include supporting civic and governmental work, such as public services in welfare, schools and healthcare. These successful entrepreneurs had a genuine concern for the welfare of their employees and communities.

Social Enterprises use business as a means to achieve social, cultural or environmental goals. The primary purpose of the business is supporting these goals. While Corporate Social Responsibility is growing, and many small businesses contribute substantial donations to their community, these contributions are not the primary purpose of the business. In these cases, the social contributions are made after the sole proprietor or shareholders take their revenue portion. The contributions are secondary then, not primary.

Do social enterprises have advantages over traditional businesses?

While a traditional business measures its success based solely on financial returns, social enterprises are held to an additional benchmark: they must achieve social and/or environmental returns as well: the **blended return on investment**.



Additionally, social enterprises are often businesses that the private sector is not willing to invest in, such as training and employment for people who have extreme physical, psychological and/or cognitive barriers.

Cleaning Solutions, for instance, is a social enterprise in Vancouver that is owned by a branch of the Canadian Mental Health Society. It provides a supportive and flexible shift environment for people with a mental illness to provide commercial janitorial services.

In other cases, social enterprises provide important services that address unmet community needs.

For example, the Pacific Rim Healthcare Co-op was founded by three citizens who wanted to attract much needed doctors to their community. They built the Alberni Family Medicine Clinic in the summer of 2006, and now have three new doctors providing needed medical services in their community.

Why do some social enterprises require additional investment?

There are some hybrid social enterprises that are intentionally structured with a mix of revenue sources – both earned and other investments. Many of these are training businesses in which the high costs of supporting employees with special needs are not fully covered by sales revenue. In these cases, the additional investment is used specifically for the purpose of training and employing people who traditionally have not been hired by mainstream businesses. Like any other social enterprise, the revenue from the business is re-invested to achieve the purposes of the enterprise. In other words, investments in social enterprise are directly re-invested back into the community.

How can the private sector contribute?

Supply chain relationships:

Identifying and buying goods and services from social enterprise suppliers is an easy way to support social enterprise.

As an example, Business Objects, a software developer in Vancouver, purchases 90% of their catering from Potluck Catering, a social enterprise that hires and trains individuals from Vancouver's Downtown Eastside who are hard-to-employ.

Business mentoring:

The learning curve on the business side of social enterprise development can be steep. Entrepreneurs and people with business skills can help by mentoring those who are starting social enterprises and by joining the board or a committee of a non-profit to share their skills.

Social enterprise development:

As community members who are often leaders in one or more areas of community development, entrepreneurs and people with business skills are well placed to see needs in the community and find innovative enterprise solutions to meeting those needs.

The Summerland Charity Shop Society, for example, was founded by six businesspeople who were concerned about a lack of youth services in their community. The society's Penny Lane Bargain Outlet provides both training and employment opportunities for youth and invests all of its revenue to support leadership opportunities, programs and activities of the local Youth Centre: a total of \$210,000 in 2007.

IV. What are the Steps in Social Enterprise Development?

Starting a social enterprise is a challenge, no matter how good the business idea seems or how many supporters are working to make it happen. There are four main types of tasks that require attention and decision-making, from the earliest stages of determining readiness for social enterprise development and throughout the process.

Types of Tasks and Decisions

Examples of Organizational Development Tasks and Decisions

- Is there organizational leadership for enterprise development?
- Is the organization prepared to change and adapt and to ensure the long-term commitment to enterprise development over several years?
- Does the organization have a clear sense of the primary purpose of the enterprise and the fit with their existing mission?
- Has the organization considered governance and management structures for the enterprise?

Examples of Strategic Networking and Citizen Engagement Tasks and Decisions

- Does the organization have people involved with business acumen?
- Who are the key stakeholders that should be consulted or engaged in the enterprise development?
- What is the community environment in terms of support for social enterprise?

Examples of Enterprise Development Tasks and Decisions

- Does the organization have resources to invest in enterprise development?
- Is there a strong history of project management?
- Are there criteria established to guide the selection of a business idea?
- Has market research been conducted?

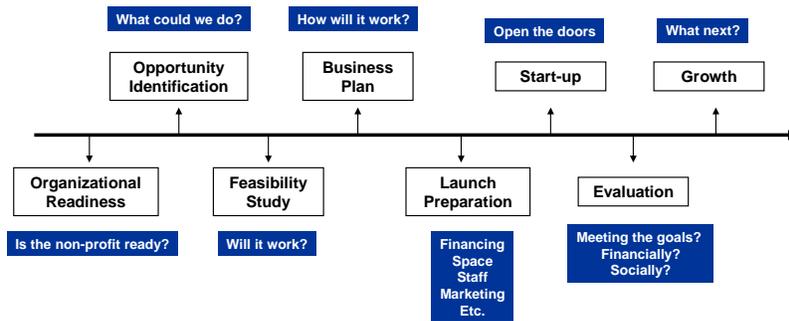
Examples of Using Outside Technical Assistance Decisions

- Has the organization assessed its internal capacity and identified the gaps?
- Does the organization have a history of successful consultant management?
- How will the organization use outside experts to increase their own knowledge?

The Stages in Enterprise Development

The following graphic outlines the common enterprise development stages an organization can expect to work through. And, although presented as a continuum, it's important to understand that the process is generally not so linear. Remember that at each stage, there will be considerations related to all four types of tasks described above. The checklist at the end of this section provides groups and organizations with a way to assess readiness and identify, within each stage and for all four types of tasks, what the priority tasks and decisions are to get an enterprise launched.

Social Enterprise Path



Step One: Organizational Readiness

While any business must succeed in the marketplace, there is one important factor that makes developing a social enterprise more complex: the enterprise is being built in a sector – and often in an organizational environment – that thinks and works differently than the for-profit sector. It is critical that organizational readiness is analyzed before launching a social enterprise.

For a list of the capacities that are important to examine, review “Chapter 3: Readiness for Social Enterprise” in the *Canadian Social Enterprise Guide*. Learn how to assess an organization’s entrepreneurial profile in chapter 3 of *Building Community Wealth*. Chapter 5 of *Building Community Wealth* provides a readiness checklist.

Step Two: Opportunity Identification

Before committing resources to launching a social enterprise, it’s important to reflect on what this will mean for an organization’s mission, and what the relationship will be between the organization and the people who purchase the enterprise’s services or products. At this stage, it is important to explore reasons for undertaking a social enterprise and to define the criteria to fulfill that purpose (e.g., How many jobs need to be created? What is the maximum start-up cost? etc.). This will help the organization explore and assess the potential fit of a number of business ideas quickly.

For help with this task, review “Chapters 4 and 5 in the *Canadian Social Enterprise Guide*. A sample selection criteria process and grid is presented in chapter 4 of *Building Community Wealth*.

Step Three: Feasibility

The selection of a social enterprise requires time, energy and discipline. It’s important that a systematic approach is used to generate ideas and decide which ones to pursue. This step ensures that resources to start a business are well invested and could save the organization from wasting resources on a business that will not be appropriate.

For a list of the steps involved in the process of determining whether or not your business ideas are feasible, review “Chapter 5: Identifying and Assessing Enterprise Opportunities” in the *Canadian Social Enterprise Guide*.

Step Four: Business Plan

A business plan is a framework that blends expectations about multiple factors and articulates them in a plan that presents future opportunities for the venture. Business planning, both research and writing and the resulting document, can be an incredibly powerful and positive tool for a new enterprise.

For an outline of the questions to consider and address in a business plan, review “Chapter 6: Planning for Your Social Enterprise” in the *Canadian Social Enterprise Guide*. For one-on-one support, see the Resources section of this package, or call Enterprising Non-Profits at: 604-871-5477.

Step Five: Launch Preparation

In addition to having an understanding of the external market and business context of a social enterprise, it’s important to appreciate how the enterprise will be run from the inside, how it will be financed, and how its products or services will be marketed.

Questions to help understand these issues are found in “Chapter 6: Planning for Your Social Enterprise” in the *Canadian Social Enterprise Guide*.

Step Six: Start-Up

Opening the doors to a new business does not mean the work is done. There will be kinks to work through, ongoing staff training, and other day-to-day operational issues to deal with. Decisions about advertising and other marketing activities, about supplies, and about service will need to be made. The reality may not be exactly as the business plan projected, so adapting is important, and having business mentors or advisors connected to the enterprise is crucial. Don’t wait too long to reach out for advice.

Step Seven: Evaluation

In addition to developing the business plan, it’s important to develop a way to measure, or evaluate the success of the social enterprise. And not just from a financial point of view. Setting specific goals related to the societal or individual benefits the venture will bring, how these benefits will be expressed, and how the enterprise will be sustained over time is part of a successful planning process.

For help with this task, review “Chapter 7: Performance Measurement” in the *Canadian Social Enterprise Guide*. The “Demonstrating Value: Pilot Project to develop Social Return on Investment indicators” is a valuable tool and can be found at www.enterprisingnonprofits.ca

Step Eight: Growth

As any business evolves, there may come a time when significant changes in suppliers, in products, or in service might need to be made. If an organization is doing well it may want to consider growth, but this stage also includes adapting to markets, or perhaps to the training needs of employees.

V. The Development Wheel Checklists - Assessing Your Readiness and Getting Started in Planning your Social Enterprise Development Work

Phase One: Getting Ready – Organizational Capacity

Checklists 1 to 3 are crucial to answer as honestly as possible – they determine your starting point and help you make a decision about whether or not to invest further resources. You will find the remaining checklist useful for later stages *if* you decide that social enterprise is for you.

Ask each member of your working group to carefully set out their responses and collectively discuss the results. Clarify areas of agreement and disagreement. With the basic discussion, research and documentation done, you should be able to decide whether your group or organization should proceed with social enterprise development and/or what to focus on to increase your readiness.

Y – Yes; N – No; P – Partly; DK – Don't Know; NA – Not applicable to our situation

| Checklist # 1 – Phase One: Organizational Capacity | Y | N | P | DK | NA | Problems/Highlights |
|---|---|---|---|----|----|---------------------|
| 1. Are your decision makers willing to set aside time to study the issues involved in social enterprise development and learn how to resolve them? | | | | | | |
| 2. Are your decision makers able to accept that social enterprise development requires a long-term perspective; that it is not a short term fix? | | | | | | |
| 3. Are your decision makers determined to base its decisions on solid research and planning? | | | | | | |
| 4. Does your organization or group have experience in managing successful projects (i.e. planning, financing, implementing and monitoring results), including producing relevant reports? | | | | | | |
| 5. Within your organization or group is there a demonstrated capacity to mobilize outside resources to support its work (e.g. financial, in-kind, technical)? | | | | | | |
| 6. Is your organization or group willing to invest in developing business and management skills as necessary to maximize success? | | | | | | |
| 7. Has your organization's leadership and staff been fairly stable over the last several years? (e.g. few problems with turnover) | | | | | | |
| 8. Is your organization willing to consider & make organizational changes to ensure social enterprise development is successful? | | | | | | |

Phase One: Getting Ready - Basic Research & Consultation

This section helps you identify and collect information and knowledge that can help you organization or group make reasonable decisions. Document your responses. Identify key sources of information and how you are going to access it. Finally, describe the results of your research and discussions in a short document to help the group get a general picture of local trends, resources and opportunities.

| Checklist # 2 – Phase One: Basic Research & Consultation | Y | N | P | D K | Problems/Highlights |
|---|---|---|---|--------|---------------------|
| 1. Have you consulted stakeholders about the possible role(s) your organization or group might play in relation to social enterprise development? (e.g. developer, owner) | | | | | |
| 2. Has your organization received stakeholder input related to their views on community or social enterprise versus individual ownership of business? | | | | | |
| 3. Have you discussed with your stakeholders the various purposes and roles social enterprise could play in fostering the overall development and long term health of your community? | | | | | |
| 4 Does your organization or group have up-to-date data on local resources (physical, institutional, human) etc. | | | | | |
| 5. Do you have up-to-data on local economic trends? | | | | | |
| 6. Have you up-to-date demographic data. To you have data that enables you to understand constituents' skills, occupational & training preferences and the types of business areas they are interested in? Is this material in a form you can use for planning? | | | | | |
| 7. Have you reviewed any community economic development strategies that have been completed in your area? If so, have analyzed how your ideas for social enterprise development fit (or not) into this CED strategy? | | | | | |
| 6. Has your organization or group determined what technical assistance it needs, if any, to do the work in this section? | | | | | |
| For Aboriginal Organizations: | | | | | |
| 7. Has there been discussion about the relationship (if any) between traditional values and pursuits and community and social enterprise, including where there may be conflicts. | | | | | |

Phase One: Getting Ready - Mapping your Relationships

This section is about taking stock. The net results of your work here should be a summary paper on your relationship with your community and other key players, including key individuals and potential partners. Document their key information and how to get into contact with them.

| Checklist # 3 – Phase One: Mapping your Relationships | Y | N | P | D K | Problems/Highlights |
|--|----------|----------|----------|----------------|----------------------------|
| 1. Does your organization or group have strong linkages to the community relevant to pursuing your interest in social enterprise development? If so, what/who are these links? | | | | | |
| 2. Do you currently have ways you facilitate your key stakeholders having a voice in your work and planning? If so, how? | | | | | |
| 3. Has your organization or members of your group demonstrated the ability to work in partnership with other organizations and individuals? | | | | | |
| 4. Do you have established links with the non-profit, government and private sectors? If so, what are these links? a) non-profit sector | | | | | |
| b) government sector | | | | | |
| c) private sector | | | | | |

Phase Two: Building the Base for Social Enterprise Development – Organizational Development

Phase 1 gave your group a sense of your general suitability for social enterprise development. Phase two helps you pinpoint the tasks you need to act on to maximize the potential for success. Answer the questions carefully then put together a work plan. It may range over several areas: board and staff training, establishment of a work group; specific technical assistance or training requirements; the development of specific policies (e.g. mission, definition of role etc.) an action plan for organizational development for the consideration of your decision makers.

| Checklist # 4 - Phase Two: Organizational Development | Y | N | P | D K | Problems/Highlights |
|---|----------|----------|----------|----------------|----------------------------|
| 1. Has your board/committee/senior staff/group members been introduced to social enterprise development, its role in community economic development and the basics steps in enterprise development? | | | | | |
| 2. Has your organization or group assessed the time, talent & resources it has currently available for social enterprise development? | | | | | |
| 3. Has your organization or group assigned a group of people to undertake the planning process? (working group, advisory body, or committee)?? | | | | | |
| 4. Does the group include people with the skills, knowledge, commitment and time to get the work done? | | | | | |
| 5. Has your organization or group established basic policy to guide and direct your social enterprise development activities: (answer 5a-5d) | | | | | |
| a) Has a mission been established (or has your existing mission been reviewed) that defines “what” & “for whom” your work in social enterprise development is directed | | | | | |
| b) Have you defined your goals relevant to social enterprise development? | | | | | |
| c) Have you defined your organization or group role in social enterprise development? | | | | | |
| d) Have you defined enterprise selection criteria to guide your decision making around what venture ideas to give planning priority to? | | | | | |
| 6. Has a work plan been developed to guide the your phase 2 work? | | | | | |
| 7. Has a way to monitor progress been established? | | | | | |
| 8. Has your organization or group determined what technical assistance it needs in this section? | | | | | |

**Phase Two: Building the Base for Social Enterprise Development –
Enterprise Development**

Once the board approves your phase two work plan you are free to begin brainstorming and researching enterprise opportunities and then narrowing them down. By the time you finish this section of phase 2 you should have a number of enterprise ideas that appear to have a reasonable chance of success. Document these ideas in a 1 or 2 page summary with references on where to get more information if required.

| Checklist # 5 - Phase Two: Enterprise Development | Y | N | P | D K | Problems/Highlights |
|---|----------|----------|----------|----------------|----------------------------|
| 1. Has your organization or group developed a work plan to guide enterprise development? | | | | | |
| 2. Has your organization or group done research and brainstorming to identify venture opportunities relevant to your mission and goals? | | | | | |
| 3. Has your organization or group done its “first cut” selection of opportunities to help focus your planning effort? | | | | | |
| 4. Has your organization or group done pre-feasibility analysis of priority opportunities? | | | | | |
| 5. Has your group done a “second cut” to determine one or more opportunities for detailed feasibility analysis? | | | | | |
| 6. Has your organization or group begun to identify possible financing and business resources that may be relevant to your efforts? | | | | | |
| 7. Has your organization or group determined its technical assistance needs (if any) to complete this section? | | | | | |

**Phase Two: Building the Base for Social Enterprise Development –
Community Participation & Strategic Networking**

Once you have made progress in specifying your community base and got a good sense of who you are targeting as key allies and partners, it is time to develop and implement a strategy to keep them involved and informed. Complete the following section and develop a simple action plan to guide your community building and networking efforts. Then let your network know what you are up and the opportunities for them to be involved.

| Checklist # 6 - Phase Two: Community Participation and Strategic Networking | Y | N | P | D K | Problems/Highlights |
|--|----------|----------|----------|----------------|----------------------------|
| 1. Has your organization or group designed and initiated a strategy to engage community and other stakeholders in your social enterprise development process? | | | | | |
| a) key members of the community you serve or who you are targeting to benefit | | | | | |
| b) key players in the public sector | | | | | |
| c) key players in the private sector | | | | | |
| d) key players in the non-profit sector | | | | | |
| e) key players in the co-op sector | | | | | |
| 2. Has your organization or group designed and initiated a communication strategy to keep key stakeholders, members and others in touch with your work in social enterprise development? | | | | | |
| 3. Has your organization or group determined what technical assistance it needs in this area? | | | | | |
| For Organizations Only (Including Aboriginal) | | | | | |
| 4. Has your organization held meetings of its members and stakeholders to review and approve how social enterprise fits with the mission and goals of your organization? | | | | | |
| 5. Has your organization consulted with its members and stakeholders regarding your organizations role in social enterprise development? | | | | | |
| 6. Has your organization consulted with its members and stakeholders regarding the enterprise selection criteria you are using as a screen? | | | | | |
| 7. Have you solicited your members and stakeholders on their ideas for possible enterprises? | | | | | |

Phase Three: Focusing the Opportunities

| Checklist # 7 - Phase 3: | Y | N | P | D K | Problems/Highlights |
|---|---|---|---|--------|---------------------|
| Organizational Development – Preparing to do Business This section is best completed after the enterprise development module below. Its primary purpose is to encourage you to identify those additional organizational changes that may be required to make the selected project a success. | | | | | |
| 1. Has your organization or group begun to think about and plan the structural issues getting into business requires – e.g. decision making procedures; relation between policy decision makers and the authority of an enterprise board and manager? | | | | | |
| 2. Has the plan begun to be implemented? | | | | | |
| 3. Have key members and decision makers in the group or organization been trained to understand and assess feasibility studies and business plans? | | | | | |
| Enterprise Development – Financial Viability Conducting feasibility analyses for selected opportunities requires in-depth research. Ensure you answer each question with a confident “yes” before you proceed to phase 4. | | | | | |
| 4. Have detailed feasibility analyses been done on priority enterprises (chosen in phase 2) | | | | | |
| 5. Has a decision been made on what enterprise to focus business planning effort on? | | | | | |
| Community Participation and Strategic Networking By now your key stakeholders & individual supporters should have a good sense of your work. Use this network as much as possible now to build further understanding and support for the enterprise(s). | | | | | |
| 6. Has your group or organization communicated with or met with members and key stakeholders relevant to building awareness and support for priority ventures? | | | | | |
| 7. Has your group or organization communicated with or met with private & public sector individuals & organizations relevant to building awareness and support for priority ventures? | | | | | |
| 8. Has your group or organization considered and/or established an advisory group or mentors made up of relevant expertise to assist in your social enterprise development? | | | | | |
| 9. Technical Assistance: Has your organization or group determined its technical assistance needs to complete this section? | | | | | |

Phase Three: Detailed Planning & Mobilizing Resources

| Checklist # 8 - Phase 3: | Y | N | P | D K | Problems/Highlights |
|--|----------|----------|----------|----------------|----------------------------|
| Organizational Development- Preparing for Business Start-Up The closer it is to securing the financial and general support required to implement the enterprise, the more prepared you must be to make the concrete organizational changes to make the project a success. The items that follow point to some key considerations. | | | | | |
| 1. Has your group or organization trained key people the basics of business planning, management recruitment & financial packaging? | | | | | |
| 2. Has your group or organization established a legal structure for the venture? | | | | | |
| 3. Has your group or organization selected the management for the enterprise? | | | | | |
| 4. Has your group or organization decided how to monitor the venture? Have you set up the monitoring procedures and trained people to use them? | | | | | |
| Enterprise Development- Getting Ready to Start- Up the Business Now that you have selected your enterprise focus, you must prepare a business plan to guide its development. This plan must be packaged for use in seeking investor and lender support. | | | | | |
| 5. Has a business plan been completed for submission to sources of financing? | | | | | |
| 6. Are the sources of financing identified? | | | | | |
| 7. Has financial backing for the enterprise been secured? | | | | | |
| 8. Has your group or organization completed a detailed start up plan? | | | | | |
| 9. If your group or organization is already involved in business, is the monitoring system working well? | | | | | |
| Community Participation & Strategic Networking Now is the time to get formal support for the enterprise. If possible, document this support in your business plan to enhance to enterprise credibility | | | | | |
| 10. Have you secured formal support for your business plan form your network? | | | | | |
| 11. Technical Assistance Have you determined your technical assistance needs for this phase? | | | | | |

VI. Social Enterprise Resources and Consultants in B.C.

Funding

Enterprising Non Profits (enp) is a funding program that provides matching grants to non-profit organizations in BC who are interested in starting or expanding a business. enp program funding enables organizations to conduct planning activities related to the development of a business venture. Find details at www.enterprisingnonprofits.ca.

David LePage, Program Manager: david@enterprisingnonprofits.ca

Social Venture Partners (SVP) deliver the BC Social Enterprise Fund, which supports BC-based nonprofits that are generating earned income in the approach to social and/or environmental change. The Fund is specifically designed to support social enterprises that demonstrate the potential to grow and scale their operations but require additional capital to their potential. The Fund makes grants and each short-listed social enterprise candidate receives free business plan coaching from business executives. Social enterprises are invited to apply for funding through the BC SEF by submitting a letter of interest (LOI) to grants@bctsvp.com.

Manuals, Workbooks and Tools

Download a free PDF copy of *Building Community Wealth: A Resource for Social Enterprise Development* at www.cedworks.com (go to the social enterprise page)

The *Canadian Social Enterprise Guide* is the first extensive and comprehensive published resource, tool kit, and collection of social enterprise stories. The guide reflects the learnings and resources of the eight years of development and implementation of the Enterprising Non-Profits program. Order it at: www.enterprisingnonprofits.ca

The “*Demonstrating Value Project*” is a collaborative research project to develop a framework for assessing the impact and performance of social enterprises in Canada. Read more about this project at: www.enterprisingnonprofits.ca.

About Co-operatives

The *BC Co-operative Association* (BCCA) is the umbrella organization that works on behalf of co-ops and credit unions in BC by promoting co-ops as powerful tools for community control over local economies and as key strategies for economic and social reform. www.bcca.coop provides links to programs, news and resources. (John Restakis, Executive Director: 604-662-3906, exec_director@bcca.coop)

Legal Advice

“Ask an Expert” is an on-line service that provides both pro-bono legal advice and a comprehensive frequently asked questions page. It’s found at: www.enterprisingnonprofits.ca.

Research

The BC Alberta Research Alliance of the Social Economy (BALTA) is undertaking mapping and a variety of research projects related to social enterprise, and the social economy more broadly: www.socialeconomy-bcalberta.ca

Consultants, Trainers and Business Development Supports

In British Columbia there are several organizations that are engaged in social enterprise development work. Undertaking feasibility research and developing a business plan are examples of two steps in the social enterprise development path that benefit from outside expertise, but there may be other areas where you want assistance as well.

When hiring consultants, it’s important to ensure they understand both business development *and* the challenges of doing business with a social purpose. It can also be very valuable to find a consultant, or a mentor, with experience in the business sector of the social enterprise.

In British Columbia, many organizations are connected to a network of social enterprise developers and coaches through Enterprising Non-Profits (david@enterprisingnonprofits.ca), and they are happy to help prospective social enterprises find the information needed to start on the right foot. The following individuals and organizations may not be able to provide direct support that meets your needs but they too can act as connectors to successful social enterprises, consultants and other resources in the field.

Working Provincially and Outside of BC

BC Co-operative Association (BCCA) works with a group of co-op developers and can refer you to someone who meets your particular needs: murray@bccacoop

Centre for Community Enterprise (CCE), www.cedworks.com, provides training, and technical assistance around a range of organizational and enterprise development activities. The on-line bookshop carries over 20 articles on social enterprise and the social enterprise page on the website has resources, reports, etc.

In BC: Michelle Colussi, mcolussi@telus.net

In Alberta: Paul Cabaj, paul.cabaj@gmail.com

In Ontario: (French or English): Ethel Cote, ethelcote@xplornet.com

Community Futures Development Corporations (CFDCs) provide one-to-one advice, workshops, and small business loans. www.communityfutures.ca

provides locations of CFDC offices across Canada. Community Futures Development Association of BC: info@communityfutures.ca

Devco www.devco.coop is a worker co-op that provides technical assistance and training on all aspects of co-op development from initial market research and financial planning through to incorporation, launch and operations. As well, Devco also designs and delivers advanced professional development for practitioners to increase their skills and knowledge about co-ops. Contact Melanie Conn melanie@devco.coop or Marty Frost marty@devco.coop

United Community Services Co-op www.ucscoop.com provides a range of business, planning and organizational consulting services, including social enterprise development, to it's members and others. Tim Beachy, CEO, and business development consultant Wayne Penney: info@ucscoop.com

Working Regionally

The Fraser Valley Centre for Social Enterprise (FVCSE), www.centreforsocialenterprise.com, provides case studies, resources, business planning tools, workshops, one-on-one social enterprise counseling and many other services to support social enterprise development. Stacey Corriveau, Director: stacey@centreforsocialenterprise.com

Greater Trail Community Skills Centre owns and operates a youth training business and provides enterprise development coaching and assistance in the Kootenay region. Michele Cherot, Business Manager: mcherot@communityskillscentre.com