

WISE Working in Social Enterprise

part of the

Waste-reduction Initiatives for Social Enterprise

programme

Acknowledgements

Copyright © 2002 Anglia Polytechnic University

No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior permission of the publisher.

The SESAME programme has been developed through a partnership between Anglia Polytechnic University (APU), the National Extension College (NEC) and the Small Firms Enterprise Development Initiative (SFEDI). SESAME is supported financially by the European Social fund (ESF).

All of the SESAME materials have been developed by Pilgrim Projects Limited, Cambridge.

The following people have contributed to the development of this module: Lisa Davis, Writer. Robert Triggs, Subject Consultant and Programmes Director, ESF Unit, Anglia Polytechnic University Ros Connelly, editor Kevin McKeoghegan, text and cover design Design Study, Mundford, Norfolk, page layout Pip Hardy and Tony Sumner, Instructional design and project management, Pilgrim Projects

We are grateful to Richard Binnall for helpful comments on early drafts of the text:

Anglia Polytechnic University European Social Fund Unit First Floor, Ashby House Bishops Hall Lane Chelmsford CM1 1SQ 01245-493131 Extension 4873

contents

Welcome to WISE	4
Section 1 Nailing the Jelly	6
Topic 1 Social Enterprise – What is it?	8
Topic 2 The Different Kinds of Social Enterprise	10
Topic 3 The Hallmarks of Social Enterprise	14
Topic 4 The Size and Scope of the Sector	16
Topic 5 Suitable Legal Structures for Social Firms	20
Topic 6 Sources of Funding	26
Section 2 Enterprise and Society	30
Topic 1 Historical Perspectives	32
Topic 2 Social Perspectives	36
Topic 3 Current Perspectives	40
Topic 4 The Benefits of Social Enterprise	44
Topic 5 The Role of Democracy in Social Enterprise	46
Section 3 Vision, Values, Ethics and Mission	50
Topic 1 Vision	52
Topic 2 Values	54
Topic 3 Ethics	58
Topic 4 Mission	62
Section 4 Social Entrepreneurship	64
Topic 1 What is a Social Entrepreneur?	66
Topic 2 The Qualities and Skills of a Social Entrepreneur	70
Topic 3 Social Entrepreneur Success Factors	74
Topic 4 Social Entrepreneurs and the Four Stages of Growth	76
Section 5 Governance and Accountability	78
Topic 1 Who's in Charge?	80
Topic 2 Organising and Effective Board	84
Topic 3 Organising and Running Board Meetings	86
Section 6 Business Planning	90
Topic 1 The Importance of Planning	92
Topic 2 Preparing a Business Plan	94
Topic 3 Planning to Manage Yourself	98
Topic 4 Planning Goals	102
Topic 5 Planning Excellence	104
Topic 6 Planning Team-building	106
Topic 7 Financial Planning	112
Section 7 Financial Audit	122
Topic 1 What is a Social Audit?	124
Topic 2 The Process of Social Audit	128
Topic 3 Sustainability	132
Section 8 Sharing Learning with Others	136
Topic 1 A Learning Organisation	138
Topic 2 Creating Meaningful Learning Opportunities	140
Topic 3 Communication Practices	144
Section 9 Planning sheets	146
Goals Planning Sheet	147
Budget Monitoring Sheet	148
Cash Flow Planning Sheet	149
Price-setting Planning Sheet	150

Welcome to WISE

WISE is a European Social Fund programme funded between May 2002 and April 2004. It aims to:

- conduct a full and robust feasibility study that will identify market opportunities and niches in relation to waste management, that will enable the creation of new social enterprises in the waste recycling sector
- establish a programme of learning for managers in social enterprise that will enable those working with severely disadvantaged people to develop the business skills to expand their enterprise.

Recycling

In Waste Strategy (2000), the government set targets for increased waste recovery and recycling and called on both waste collection and disposal authorities to

'involve local people on decisions on waste and work with community based schemes to promote re-use and recycling'.

The WISE champion and the WISE programme researcher will research, finance, establish and develop viable social businesses in recycling. Social businesses have social goals -- in this case both environmental, and in regard to employment, where WISE has a target of creating sustainable employment in social enterprises for between 50 and 100 people in Essex and Cambridgeshire by mid-2004.

Learning

Many of those currently developing social enterprises come from a non-business background, often involving care for people with disabilities. The skills they have developed in working with disadvantaged people are invaluable in working in the social business sector. However, there is a great demand for skills development in other areas, such as entrepreneurship, financial management, marketing and workforce development – the abilities necessary to run a successful business.

The WISE learning modules have been developed from the Anglia Polytechnic University SESAME (Small Enterprise Sensitive Accessible Management Education) programme. The achievements of SESAME in delivering management education by open learning to around 1000 managers in small and medium-sized enterprises were rewarded with the SFEDI Best New Learning Media award in 2002.

This element of WISE aims to enrol 50 social enterprise managers on the learning programme, and deliver workshops promoting the role of social enterprise in recycling to 120 people from the voluntary and community sectors.

The WISE Partnership

WISE is a partnership between Anglia Polytechnic University, the Environment Agency, Essex Businesslink, Essex County Council Enterprise/Social Services, the Papworth Trust, ReMade Essex and Social Firms for Essex.

How to use this book

This book has been written and produced to make your learning efficient and enjoyable. You will find that most topics are presented on two facing pages – a double page spread. Occasionally, some longer topics are covered on two spreads, but the main point here is that you should easily be able to take in the main points at a glance.

Before you begin, look through the sections and topics listed in the contents. This will give you a good idea of the scope of the book. Then focus on one topic at a time and give yourself time to read and think about it.

We have attempted to make the book lively and interesting. There are plenty of stories and case studies and lots of references for you to follow up what is happening in other social enterprises. We have also included activities and checkpoints to give you a chance to stop and think about what you are learning. Please do take time to pause and reflect – one of the best ways to learn is to do something with the information you are reading, and writing things down is an excellent way to summarise your thoughts about a particular subject. We suggest you do this in a learning journal.

Keeping a learning journal

A learning journal is an extremely effective way of keeping track of your learning. It can also form the basis of discussions between you and your tutor.

In the SESAME Study Guide, we strongly advise you to keep a learning journal if you are working towards gaining the Diploma in Small Business Management. If you are working through a module purely for your own benefit, you will still find it helpful to keep a record of your work.

A learning journal can be almost anything:

- looseleaf A4 pages which can be slotted into the book (or kept in a separate ring binder)
- a book of blank pages beautifully bound in leather or handmade paper
- a small notebook
- a diary
- a wirebound notebook
- a PDA.

A learning journal can also be a video or a cassette or a Dictaphone ...the main thing is to have somewhere to record your thoughts and ideas. You may also like to keep a large envelope or scrapbook for clippings, pictures, minutes of meetings or other things which you haven't generated. Feel free to draw pictures or doodle if that helps you to think.

If you don't particularly like writing, don't worry – you can keep record your thoughts on video or cassette. Some people like to dictate their thoughts while in the car or on a train, and this is perfectly acceptable, although we still encourage you to get some practice writing things down (or drawing them) if you possibly can.

Although there is some space in the book for making notes in response to the activities and checkpoints, you may prefer to write down your thoughts somewhere else – your learning journal is the perfect place to do this. In fact, it would be a good idea to get into the habit of noting down any ideas or things you want to do as a result of working through the activities and checkpoints in the book. This way, you can easily refer to them – your learning journal then becomes a really useful 'To do list' or, at the very least, an aide memoire of your intentions.