HOMELESSNESS PARTNERING STRATEGY TELEFORUM SERIES

SOCIAL ENTERPRISES AND HOMELESSNESS

Thursday, September 27th, 2007

Play / Écoutez

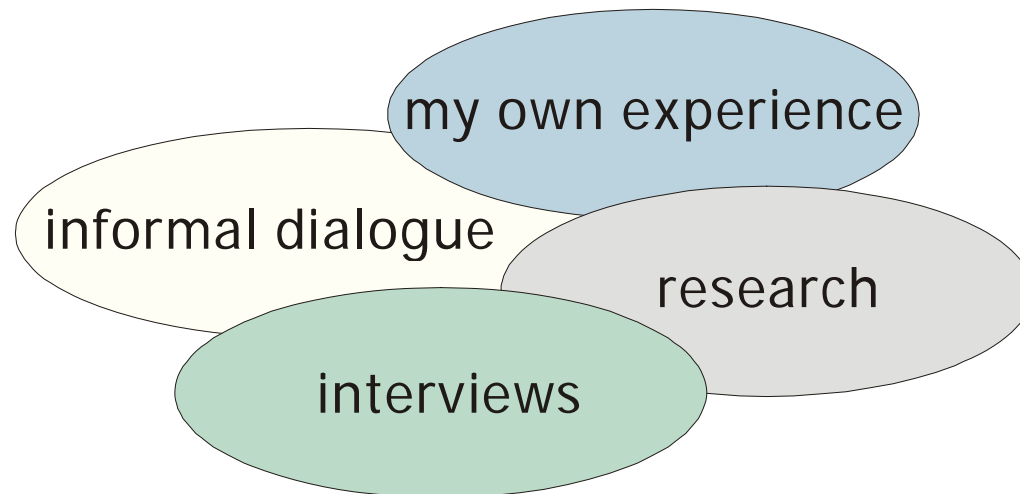# **Social Enterprise: The 3 Ps**
Philosophy, Process and Practicalities

The Muttart Foundation   Shelley Williams

Introduction

- Why social enterprise?
- Intent and process

my own experience

informal dialogue

research

interviews

- A practical tool in a workbook format for organizations

Social Enterprise: The 3 Ps

- Philosophy
- Process tips
- Basic practicalities
- Phases of development
- Words of wisdom from the field
- Worksheets and templates
- Helpful information

Getting on the same page…

- Social entrepreneurship
  - A broad term encompassing the use of and development of multi-dimensional approaches and models within community to help support community
  - "Strives to combine the heart of business with the heart of the community through the creativity of the individual" (CCSE)
  - Includes social enterprise as one approach

Getting on the same page…

- Community economic development (CED)
  - Process by which communities can initiate and generate their own solutions to their common economic problems and thereby build long-term community capacity and foster the integration of economic, social and environmental objectives

(CED Centre, Simon Fraser)

Getting on the same page…

- Social enterprise
  - A venture/business/activity within a non-profit organization providing financial and/or social benefits that further its mission
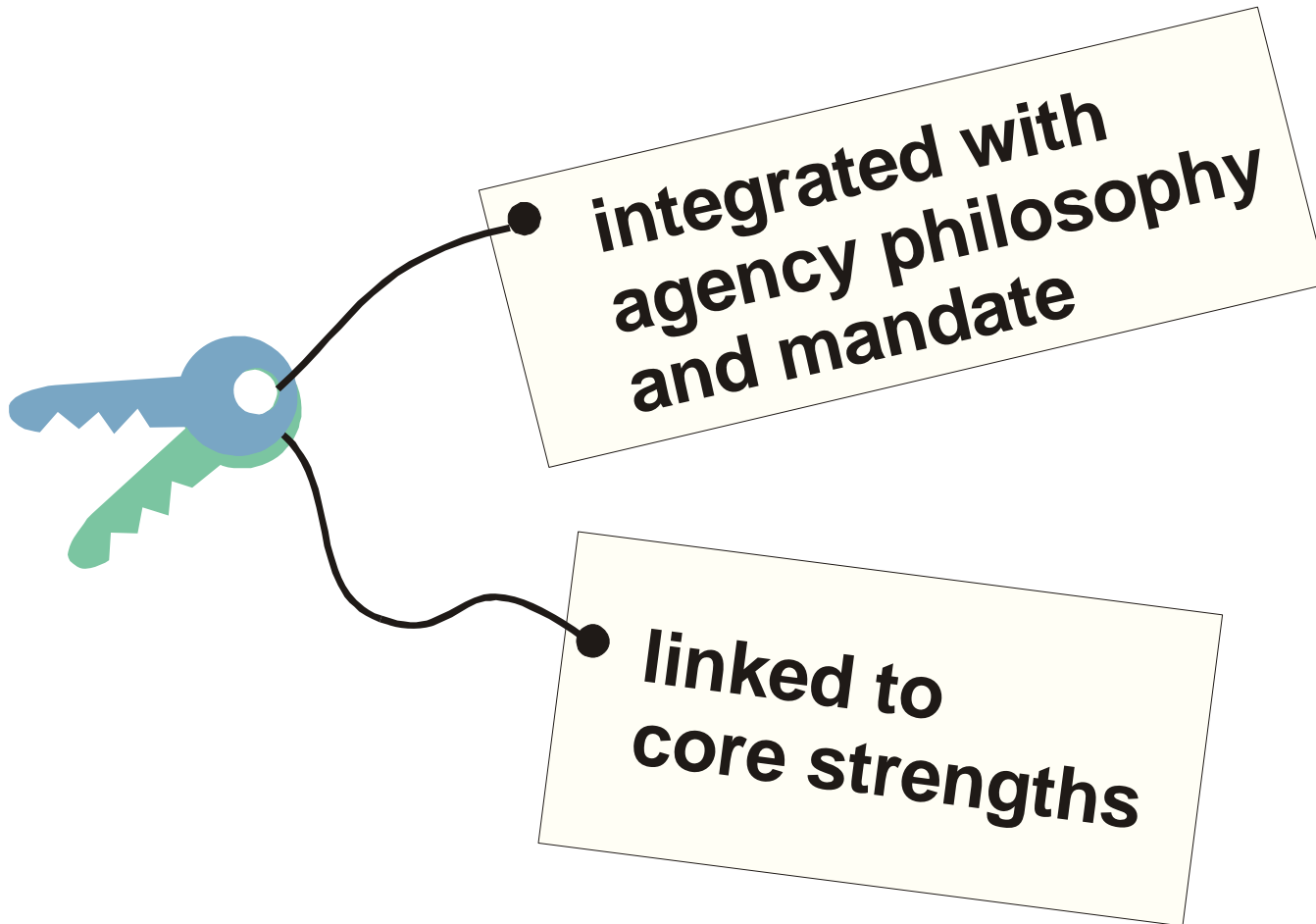
Project learnings

- If you don't currently operate a social enterprise, think long and hard about the costs and benefits

- Not a quick fix

- Lots of time, money and energy

- However:
  - SE is here to stay
  - an opportunity to develop new approaches

Keys

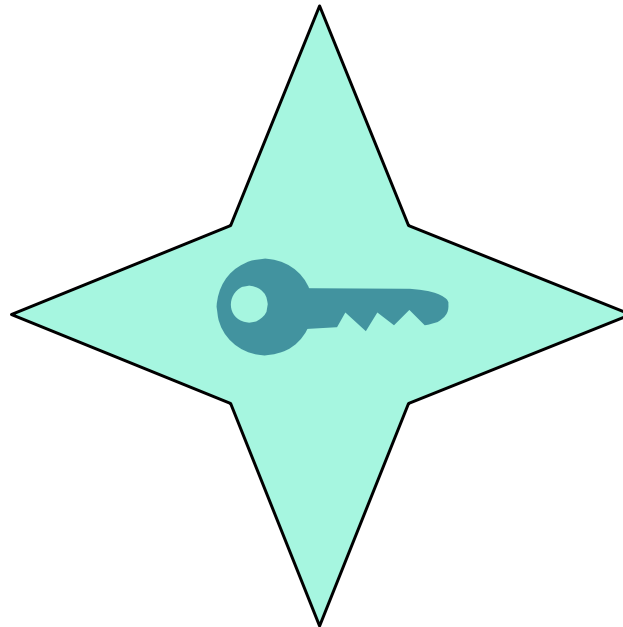**integrated with agency philosophy and mandate**

linked to core strengths

4 key success factors

SE has a champion

Organization is supportive

Leadership ensures both business and social mission skills

SE is complimentary to strengths and resources of agency

4 questions of principle

1. What is the ongoing responsibility of the three levels of government to provide public support to the third sector? What must be supported and at what level?

2. Can we balance the "profit" motive with our community and social responsibilities?

3. What is the "real" intent of social enterprise?

4. What model should be used to create social enterprise?

Balancing the "profit" motive

- Concern related to the perceived incompatibility of business profit motive

- Competition vs. collaboration

- "Top line" vs. "bottom line" thinking

- Need vs. demand
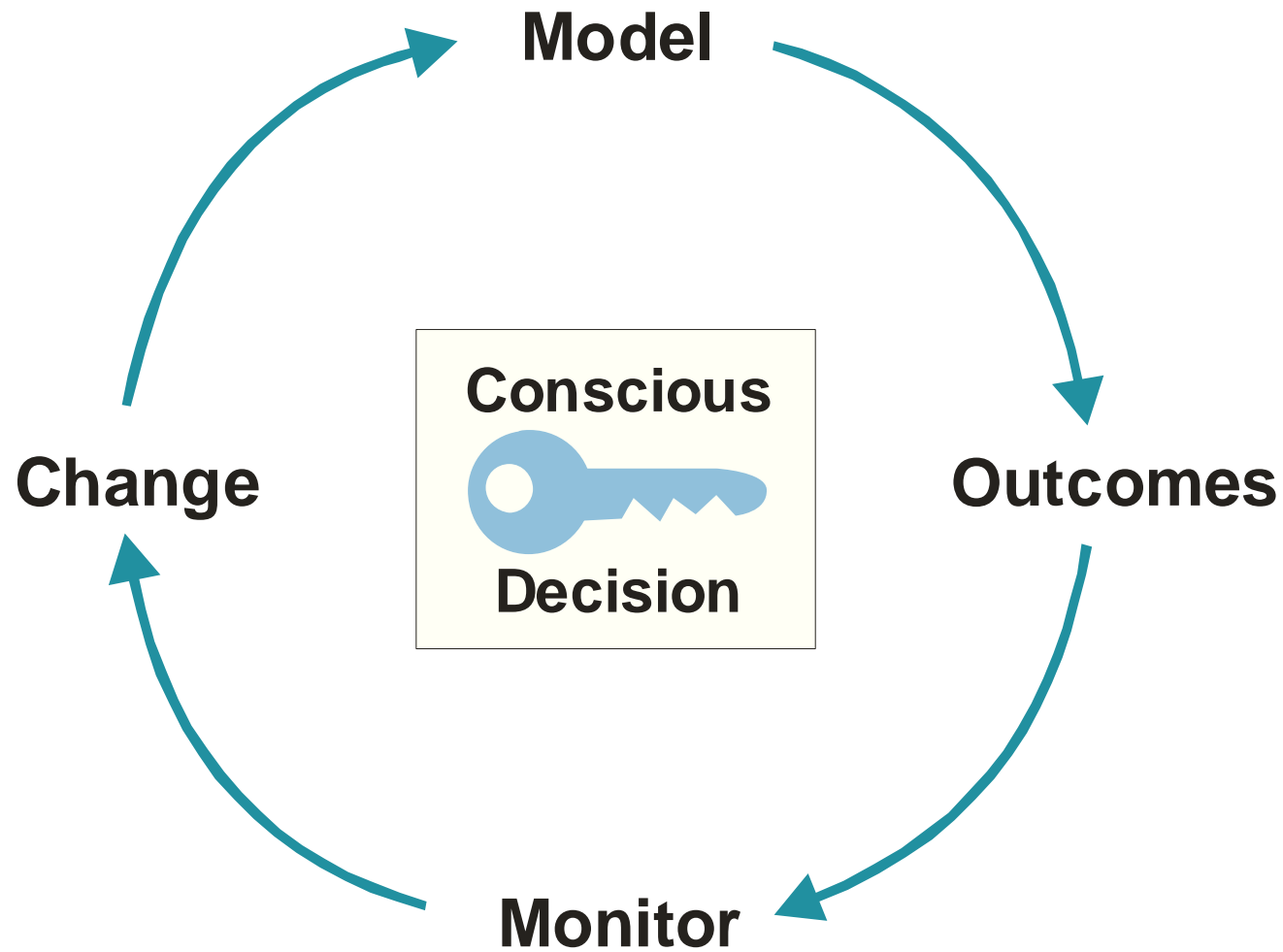
What model should be used?

- Business (profit based)

- Social service (needs based)

- Hybrid (profit and social benefit)

Key decision

Interviews

- 9 agencies with a total of 19 enterprises

- 88% had enterprises linked to the agency's mission

- 44% had enterprises providing supports services and/or employment to clients

Interviews

- 55% operated more than one SE
- 33% currently engaged in development or expansion of SE
- 55% had operated SEs that were closed

Unique aspects

- Financial tracking systems
- Financial investment policy for either the SE and/or agency
- Social benefit/Social Return On Investment (SROI)
- Social enterprise exit strategy/ closure principles

The real financial picture…

- Of the 9 agencies interviewed for this project:
  - 44% appeared to be making a profit
  - 33% were not making a profit
  - 22% profitability undetermined

The real financial picture…

- 72 agencies with 105 ventures:
  - 27% break even
  - 42% profitable
  - 13% were NOT making a profit
  - 17% didn't know
- Of the 42% making a profit:
  - 13% made more than $50,000
  - Leaving 29% making under $50,000

(Community Wealth Ventures 2003)

Social benefit tools

- Very little research to help agencies formally determine and evaluate benefits provided by the SE

- One tool is Social Return on Investment (SROI) developed by REDF

- United Way of America developed Logic Model of Outcome Measurement

Social benefit

- Since there is no "standard," best approach may be to use evaluation tools already in use by the agency
- Will become more and more necessary to identify how ventures make a difference

Advantages/Disadvantages

- Mission
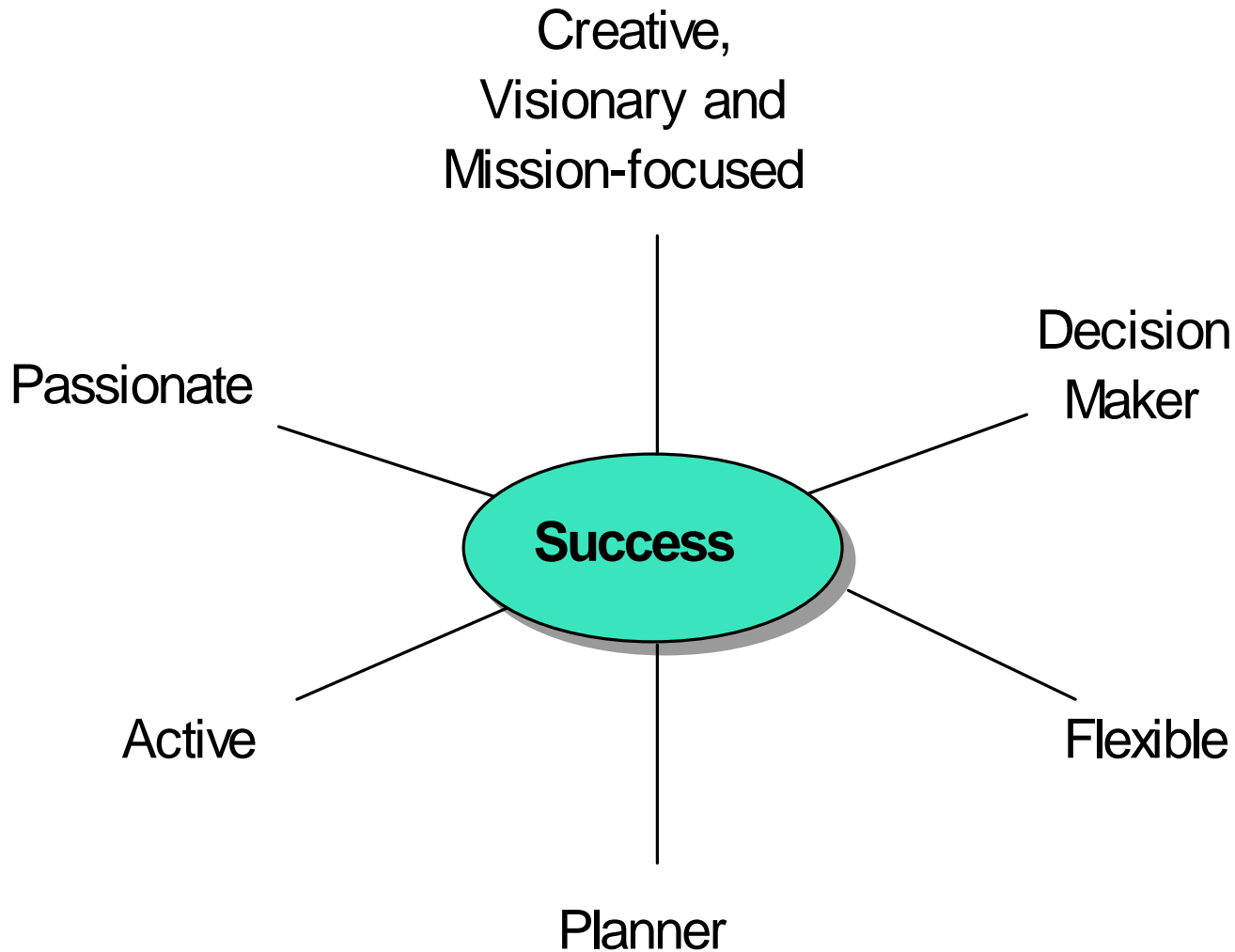- Financial
- Human Resources
- Culture
- Stakeholders

Words of wisdom

- Leadership
- Success Characteristics
- Know your stuff: CRA requirements, types of SE, practicalities
- Do Your Homework–phases of development
- Process Principles

Success characteristics

Creative,
Visionary and
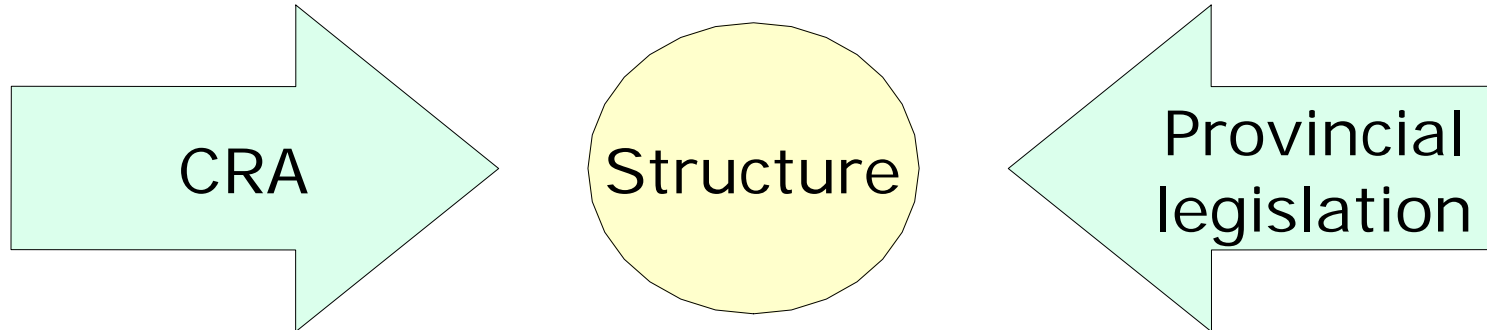Mission-focused

Decision
Maker

Passionate

Success

Flexible

Active

Planner

Structure options

- Two legal requirements:

CRA → Structure ← Provincial legislation

- Should obtain legal/financial counsel to determine optimal structure

Development process

Five principles

1. Creating engagement
2. Learning and networking
3. Valuing inside and outside expertise
4. Strategic planning
5. Respecting the journey

Phases of SE development

1. Are we interested in SE?
2. Are we ready for SE?
3. Generating the social enterprise idea
4. Initial testing
5. Feasibility study
6. Social enterprise business plan (SEBP)

Social Enterprise: The 3 P's

- Muttart Foundation, download free

  www.muttart.org/c-fellows/publicationsfellows.htm

- Resources for Voluntary Organizations – Edmonton (Purchase)

  http://www.rcvo.org/bookadpages/booksales.html

- Volunteer Calgary (Purchase)

  https://www.securewebexchange.com/**volunteercalgary**.ab.ca/orderform.html

Home Town

Big Town

Environment

How do you build new community?

- Do you start with Houses?

- Do you start with Land?

- Do you start with Industry?

- Do you start with People?

Welcome to the

Mountain Aire Lodge

Mountain Aire Lodge

Our People

Camping

Meaningful Community

Meaningful Work

Seed Community of Change

Building homes

Mountain Aire Lodge

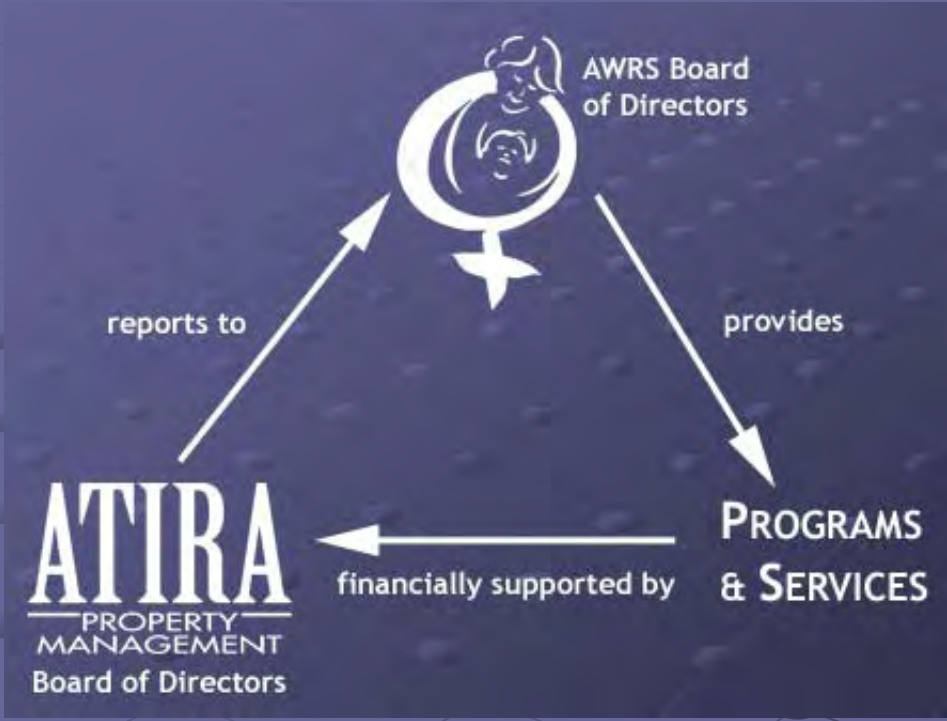A Chance at a Fresh Start

Homelessness Partnering Secretariat

Teleforum On Social Enterprise

Janice Abbott

Executive Director/CEO

Atira Women's Resource Society

Atira Property Management Inc.

ATIRA WOMEN'S RESOURCE SOCIETY

- Formed in 1983 as Atira Transition House Society. Opened first transition house in 1987 in South Surrey, B.C.

- Underwent first expansion in 1993 taking on The Family Project: Children Who Witness Abuse Support Program. In 1997 two new programs were added: Shimai Transition House and Koomseh Second-Stage Transition House.

- In 2001 the board of directors, in consultation with the staff, changed the name of the society to Atira Women's Resource Society to better reflect the diversity of programs.

- Atira currently operates seven residential and 10 non-residential programs under a single mandate to promote women's equality through anti-violence work.

- Current development project is Maxxine Wright Place; an $18 Million development that includes a community health centre, day care, 12 short-term and 24 long-term transition units for women who are pregnant/early parents and at risk.

ATIRA WOMEN'S RESOURCE SOCIETY

- Employs 101 staff most of whom are front-line support workers.

- Committed to hiring women who have similar lived experience to the women and children who access our programs and services.

- Staff speak among them 28 languages including six First Nations' languages.

- On average the length of service for Atira employees is four years.

- Approximately 7,000 women and children access Atira's programs every year; more than 1,100 of whom stay in one of the society's residential programs.

- Thousands more are turned away from residential programs due to lack of space.

RESIDENTIAL PROGRAMS

- Ămá Transition House for Elder Women - Surrey/White Rock

- Ămá Second-Stage for Elder Women - Surrey/White Rock

- Bridge Women's Emergency Shelter - Vancouver, DTES

- Bridge Women's Supportive Housing - Vancouver, DTES

- Durrant Transition House - Surrey/White Rock

- Koomseh Second-Stage Transition House - Surrey

- Shimai Specialized Transition House - North Surrey

- Sereena's House for Women - Vancouver, DTES

PROGRAMS

- 16-Steps for Recovery Support Program - Surrey & Vancouver

- Aboriginal Women's Outreach Program - Surrey

- The Family Project: Children Who Witness Abuse and ReDiscover Parenting Support Program - Surrey & White Rock

- Enterprising Women Making Art - Vancouver, DTES

- Legal Advocacy - Vancouver, DTES

- Stopping the Violence Counselling Program - Vancouver, DTES

PROGRAMS

- Maxxine Wright Community Health Centre
(in partnership with the Fraser Health Authority and the Ministry of Child and Family Development)

- Wraparound - Surrey

PROJECTS

- Digital Storytelling Project – B.C. and overseas

SOCIAL ENTERPRISE

- Creative Women Craftworks (supported by the Enterprising Women Making Art program)

- The Painter Sisters Painting Co. – Vancouver, DTES

ATIRA Property Management Inc.

- Created in 2002 by Atira Women's Resource Society as a wholly-owned, for profit subsidiary

- One of the first mission-driven companies of its kind in Canada

- The first socially responsible property management firm in the Vancouver area (and possibly anywhere)

- Manages 3,070 units in strata corporations, professional buildings, non-profit and cooperative housing projects

- Provides employment for 22 individuals, 50 per cent of whom face(d) barriers to employment

- Growing at a rate of three – five new contracts each month

- All profits used to support the not-for-profit activities of AWRS

ATIRA Property Management: Social Return on Investment

The success of Atira Property Management Inc. will directly benefit women in transition programs at AWRS through the generation of unrestricted operating funds to support its social (not-for-profit) activities. In addition, both APMI and AWRS employ individuals with barriers to employment, including women who have accessed transition house programs/been affected by violence/abuse.

ATIRA Property Management: Social Return on Investment

Target: Earn enough profit by 2009 to provide AWRS with enough income annually to cover its administration costs, which are expected to be ~$400,000 in 2007.

Result: All annualized funding received by Atira Women's Resource Society including grants and donations will be directed solely towards programs and services for women and children.

ATIRA Property Management: Social Return on Investment

Target: APMI will aim to ensure all entry-level staff positions and 100 per cent of on-site coordinators hired each year are offered to people who face barriers to employment.

Result: Staff receive new skills, an opportunity to advance to other service sector jobs, increase their income level, and the emotional benefit that derives from meaningful employment.

ATIRA Property Management: Social Return on Investment

Target: Generation of sales to related social enterprises (Janitorial, Security, Painters) run by AWRS will employ up to 27 women by 2008.

Result: Increase in percentage of household income from employment, decrease in government assistance payments, increase in self-confidence and social networks.

ATIRA Property Management: Social Return on Investment

Target: 25% of all contractor services purchased from social enterprises in the community including contractor services purchased on behalf of APMI's clients.

Result: Generation of additional employment for people who face barriers to employment, increased awareness of social enterprise options and an increase in the flow of dollars into the social economy. Long-term results might also be the creation of willingness/incentive for the private and public sectors to engage in the social economy.