AGENDA

- What’s a social enterprise?
- What is your bottom line?
- The enterprise spectrum
- What forms can it take?
- Clarifying your Theory of Change
- Can self-generated revenue fit into your Impact model?
- Final advice
WHAT’S A SOCIAL ENTERPRISE?

• Having a **social impact** implies solving a social, cultural or environmental need that helps improve the lives of disadvantaged communities.

• A **social entrepreneur** is a change agent who identifies a need in the community & works to bring positive transformation to the poor, the marginalized and those who would be otherwise locked out of opportunities.

• A **social enterprise** is an organisation that applies private sector business models to advancing social goals; their fundamental goal is to contribute to society first, while being financially self-sufficient.
WHAT’S YOUR BOTTOM-LINE?

• Social and Creative Enterprises often occupy the space between old-school commerce and old-school charity. What does that mean?
  • Have a clear social, cultural and/or artistic mission
  • Generate the majority of their income through trade;
  • Reinvest the majority of their profits;
  • Autonomous of the state;
  • Majority controlled in the interests of the social mission;
  • Accountable and transparent.
WHAT’S YOUR BOTTOM-LINE?

• NGOs create social value only, while social and creative enterprises will normally aim for sustainability in the financial, social and/or environmental sense.

• Social Enterprises differ from traditional business in that they often respond to market failures versus market opportunities.
### EXAMPLES OF SOCIAL ENTERPRISES IN THE CREATIVE INDUSTRIES

<table>
<thead>
<tr>
<th>Enterprise</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Yadawee Handicrafts</strong> (Egypt)</td>
<td>Trains locals artisans, showcases their work, and sells traditional handicraft goods nationally and internationally.</td>
</tr>
<tr>
<td><strong>Theatre for Life</strong> (UK)</td>
<td>A social enterprise theatre group that raises the aspirations of young people through live theatre.</td>
</tr>
<tr>
<td><strong>FACE</strong> (Pakistan)</td>
<td>The Foundation for Arts Culture and Education is an organization whose mission is to strengthen, empower, and educate communities through the arts and through cultural interactions.</td>
</tr>
<tr>
<td><strong>Earthen Symphony</strong> (India)</td>
<td>A decorative art and design studio in Bangalore, India, provides untrained women with employment opportunities as designers, artisans, and craftsmen.</td>
</tr>
<tr>
<td><strong>Indigo Africa</strong> (Uganda)</td>
<td>A social enterprise that partners with groups of artisan women in Rwanda &amp; Ghana to create a range of handcrafted products.</td>
</tr>
<tr>
<td><strong>Ketemu Project</strong> (Indonesia)</td>
<td>A transnational art collective and social enterprise hybrid based in Singapore.</td>
</tr>
<tr>
<td><strong>The Darb Al Ahmar Arts School</strong></td>
<td>Educating children and youth between the ages of 6-18 in Cairo’s Darb Al-Ahmar district in percussion, circus arts, and brass instruments.</td>
</tr>
<tr>
<td><strong>BrainJuice</strong> (Singapore)</td>
<td>A social enterprise design agency that reinvests into the community.</td>
</tr>
<tr>
<td><strong>Ghadeer Crafts</strong> (UAE)</td>
<td>A social enterprise empowering Emirati women through sustainable crafts.</td>
</tr>
</tbody>
</table>
WHY IS GHADEER CRAFTS SUCCESSFUL?

- **Mission:** Preserve Emirati crafts and techniques and empower underprivileged women
- **Impact:** 200 local craftswomen
- **Activities:** Provide training and workshops on local crafts, such as Sadu, Telli, Khoos, wool spinning, henna etc.
- **Sales:** Sell local Emirati products through different outlets, i.e. online store, center, government entities, shopping centers and other tourist destinations
- **Partnerships:** Establish partnerships with local entities, such as Salama Bint Hamdan Al Nahyan Foundation, Abu Dhabi Music & Arts Foundation (ADMAF), Abu Dhabi Art, among others
The Enterprise Spectrum

Funding from grants & donations & donations

Some market-based revenue streams

Primary driver is

SOCIAL VALUE CREATION

with REVENUE GENERATION

Socially Motivated Business

Profit distributing with strong CSR

Fully Commercial Business

Pure Profit maximising

Social Enterprise

Potentially self-sustainable

Self-sustainable with majority of surplus reinvested

Profitable – some surplus reinvested

✓ Social impact is part of its articles of association

✓ Aims to scale its social impact

✓ Monitors & reports on its social impact

✓ & more... depending on funders or impact investors...
Which business design most closely describes your organization?

In your opinion, can a social enterprise be both socially conscious and achieve high profits?
HOW CAN ENTERPRISES BE STRUCTURED?

The Profit Generator Model

The Trade-Off Model

The Lock-Step Model
Enterprise focuses on achieving a financial return that has no direct social impact. However, the profits from the endeavour are then reinvested into a separate social impact initiative and this is formalised in their bylaws.
Enterprise’s trading activity is focused on generating a financial return AND creating social impact. The enterprise could increase its social impact by decreasing financial returns, or vice versa. In other words, there is a trade-off.
THE LOCK STEP MODEL

Social impact and the financial return are inextricably linked. If you increase your financial return, you automatically increase your social impact, as they move in parallel.
1. Identify where you are now on the spectrum and think about where you want to be.
2. Which model best describes your organisation.
TIME FOR A BREAK

TAKE 10 MINUTES
THEORY OF CHANGE

WHAT IS THE PROBLEM THAT YOU ARE ADDRESSING?

WHAT IS YOUR VISION FOR THE FUTURE?
BREAKOUT SESSION 2

NAME 5 ORGANISATIONS OR ENTERPRISES THAT ARE SUCCESSFUL IN YOUR EYES

WHAT DO THEY HAVE IN COMMON?
Imagine if you were going to describe, in 20 words or fewer, what your organisation does, but only have twenty seconds with which to do it, what would you say?
OTHER KEY T.O.C. QUESTIONS

What impact do you want to achieve?

Who/what would be impacted?

How could you reach/influence/impact the identified groups?
VISUALIZING OUTCOMES & SUCCESS

What indicators will you use to measure achievements?

How will you know when you have succeeded?
MOVING FROM VISION TO VALUE:

- The Business Model Canvas is a strategic management and lean start-up template for developing new or explaining and visualising existing business models.
- This is perfect for prototyping new endeavours
- Allows you to try out new ideas as a group on paper before investing more time and money into it.
MY FINAL ADVICE

**STICK TO YOUR VISION** – be stubborn about why you’re doing what you’re doing

**AIM HIGH** – It’s important to be realistic, to be smart, to set milestones - but no one achieves anything great by dreaming small.

FAIL QUICKLY – There’s no shame in failure, but be ready to admit it and pivot quickly.

**VALUE YOURSELF** – Your time is not limitless, and you can’t run a business on goodwill alone.