



SOCIAL ENTERPRISE DECEMBER 2010 UPDATE

In the past month, our social enterprise projects with Women In Need (WINS) and Hull Child and Family Services have included three areas:

1. Understanding the current external consumer market
2. Understanding the internal capacity of the organizations
3. Generating new opportunities

1. UNDERSTANDING THE EXTERNAL MARKET

To determine the scope of the social enterprise opportunity for WINS and Hull, the number of potential customers and process used to attract customers needs to be clearly identified.

Key Points of Discussion:

WINS: Evaluating how to “ramp up” the business, while ensuring that the pace of change can be sustained by the organization.

Hull: It is hoped that the development process will clarify internal decisions around staffing needs stemming from the launch of a social enterprise. Staff development and retention is a key motivator for management in launching the social enterprise.

2. UNDERSTANDING THE INTERNAL CAPACITY

Both WINS and Hull’s internal capacity has been enhanced through their past experience with social enterprise. As a relatively low risk way for WINS and Hull to test their ideas and identify how social enterprise might fit within the organizations, existing staff took on a slightly greater workload in order to pilot the ideas.

Limits: Internal factors are the limits for WINS and Hull - not the size of the market. Ability to internally fund their initiatives is a limitation. Despite the size of the organizations, envelop funding means that none of these dollars can be used to support the social enterprise. Financing options will be critical in the next phase.

3. GENERATING NEW OPPORTUNITIES

The social enterprise project is already generating some new opportunities for both NPO’s and social enterprise investors. As we worked with WINS, we came upon an internal opportunity - when WINS receives clothes that are unsalable, they sell them as rags. It turns out there is a significant price difference between selling the rags in loose form as they do now and what would be paid if the rags were put in 1,000 lb bales. A machine to bale the rags will pay for itself quickly and then generate thousands of dollars for WINS each year after that. The long term impact of this change was so compelling that when the partners at SVP Calgary heard about it, they decided to fund it immediately.