



▶ FRAME OF MIND AND CULTURE



▶ RESOURCES



▶ BUSINESS MODEL

# Social Enterprise

## *focus*

WHAT DO WE NEED TO DO TO DEVELOP A SOCIAL ENTERPRISE?

*Research shows that there are four key areas to consider when developing a social enterprise*

## Beginning

To introduce a social enterprise, the undertaking must be of high strategic value to the not-for-profit, that is for flexible funding, increasing autonomy or expanding networks within the general or business communities. The other major skill essential for social enterprise is entrepreneurship. Leadership was also required to garner support for and sustain the new organisational form when things don't go to plan.



## Adjusting

There are tensions in accommodating the social enterprise successfully, requiring:

1. Some finance and/or time
2. Information differences, particularly general commercial and start-up in addition to specific sectoral advice.
3. Legitimacy or acceptance for the social enterprise from internal personnel and key stakeholders.
4. The identification of early, realistic, but inspiring financial targets and social impact measurement.

## Building

Building a strong and tested business model that considers the capabilities and additional skills needed, often including marketing and sales, costing and pricing.

## Integrating

Logic compatibility (i.e. does commercial logic complement or clash with our way of working?) and whether the social and commercial logics are retained are separated or blended are key factors in the decision on how to configure yourselves both culturally and structurally.

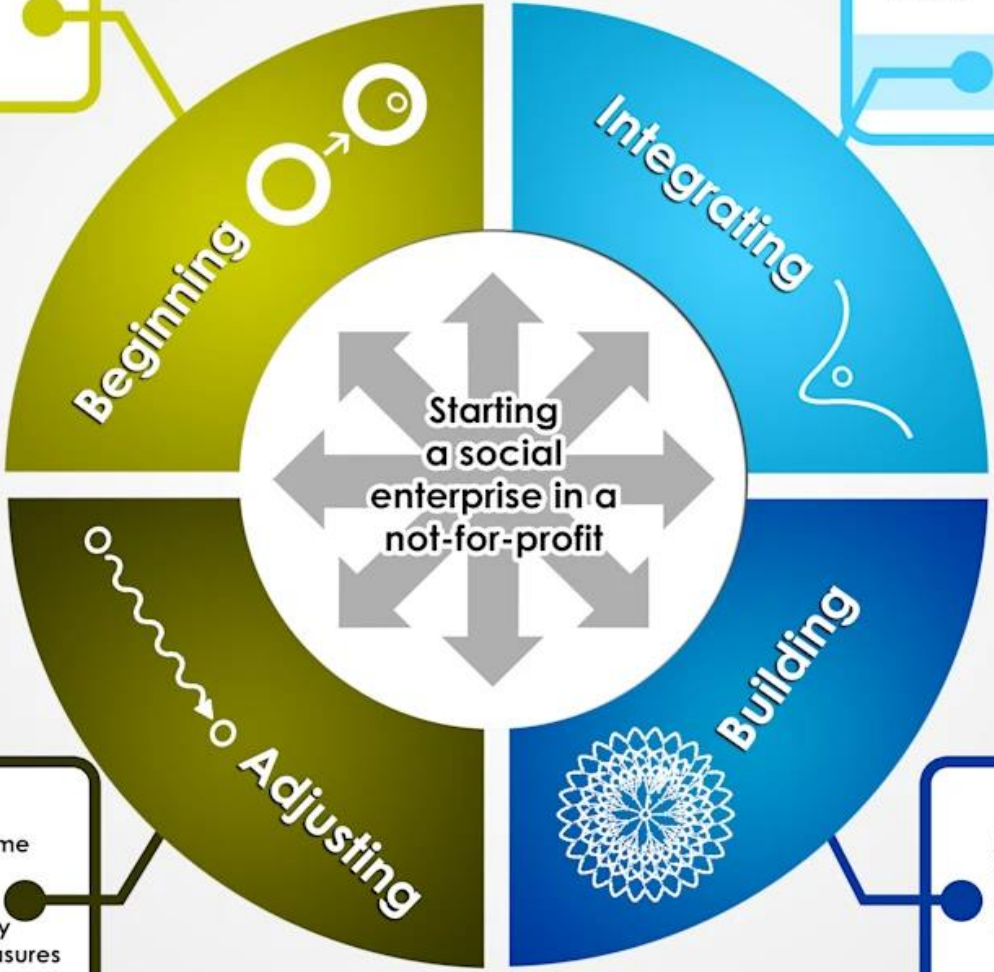
**Initial conditions**

- Strategic value
- Flexible funding
- Linkages
- Entrepreneurship
- Leadership

**Organisational Configuration**

Structural	Cultural
- Structure	- Logic compatibility
- Identity	- Logic diffusion and management

Logics refer to the different ways of working in social & commercial organisations (e.g. norms, values, skills, priorities)



**Resources**

- Finance and/or time
- Information differences
- Internal legitimacy
- Performance measures

**Business model**

- Capabilities
- Capability challenges
- Values-based mission