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Bill Manson, Director of Podiem

Discusses..... Social Enterprise from a Private Sector perspective

It seems that the penny has finally dropped - that we really do need to grow the private sector. However, that's not just in terms of increasing the numbers of business we have, but also the value of the business we do. Regrettably, for many people, it has taken a major crisis for that message to hit home.

It could be argued that when we needed to drive that agenda (in the 'good times'), there was limited urgency to take some of the actions we are now faced with, and there just might have been more private sector jobs to take up the expected reductions in the public sector.

Even though there is now a degree of urgency, this transformation will not happen overnight and it is interesting to note that more commentators are prepared to articulate the reality that it will take 25 years at least to reposition the economy.

So what else can we do? One theme that is emerging is to explore the whole realm of social enterprise and the potential it has for both existing organisations and new ventures of the future.

Up until recently I'm sure many people, including me, have had a limited view of what the social economy sector has to offer. Having carried out a most unscientific poll across some business colleagues, their perceptions majored in on some stereotypical views such as 'sandals and beards', 'good causes', 'green issues', 'well meaning', 'cushy numbers' and 'people who chased funding'.

If that is the case, then the sector has very little to offer. However, according to the Social Enterprise Coalition, there are 62,000 social enterprises in the UK, contributing over £24bn to the economy and employing approximately 800,000 people (2005-2007 data from the Annual Survey of Small Business UK).

Having had the opportunity to become more involved in this sector, I'm encouraged to report that, while there may still be some of the characteristics mentioned above, the vast majority of people in the social economy are more likely to be industrious, committed and passionate and have the desire to run a successful business.

Indeed, there are many people within the sector trying hard to ditch the 'sandals image' and present their organisations as professional, profitable and sustainable. How many private sector firms could claim that?

So what is a social enterprise? One of the best and easily applied definitions is 'profit makers, not profit takers.' The essence of this approach is that the social enterprise has to develop a very strong commercial basis that provides returns for reinvestment or distribution, while still maintaining their overall purpose.

Social enterprises come in all shapes and sizes. A great example at a grass roots community level is the new Lagan Legacy museum barge, (MV Confiance), which is due to be opened this autumn to celebrate the City's unique manufacturing past and is entitled 'The Greatest Story Never Told'.

More established enterprises such as the Bryson Group, with 642 employees and a turnover of £24m, demonstrates significant business success and the contribution it makes to the Northern Ireland economy.

There are social enterprises in every area of the economy in Northern Ireland - from tourism, health and social care, renewable energy, retail, recycling, employment, sport, housing and education - and many deliver what could be deemed as 'public services'.

There is also growing trend amongst business owners to create funds for investment in social enterprises. Podiem met an example of this recently when Maureen Wheeler (Co Founder, The Lonely Planet) was home in Belfast to do some events for us.

Her initial involvement was through Lonely Planet Foundation and now, since BBC Worldwide acquired a major shareholding, Maureen and her husband have set up The Wheeler Foundation, with a percentage of funds going to help prime social enterprises to drive economic activity.

It seemed appropriate, then, that Maureen was the keynote speaker at the inaugural event in the new series of social economy masterclasses, which focused on tourism and social enterprise. The series was launched recently at Stormont Parliament Buildings by Minister for Enterprise, Trade & Investment Arlene Foster.

There will be six masterclass events in this series – aimed at giving guidance on best practice to social entrepreneurs, policy-makers, business leaders and public sector managers. Different enterprise sectors will be targeted with key messages - including health, energy and recycling; culture and regeneration; human and social capital; and physical and financial capital. All will be held in the coming months at venues in Belfast and Derry.

To underpin the importance and potential of social enterprise the initiative is being driven by an impressive line up of partners led by the School for Social Entrepreneurs with Ulster Community Investment Trust, the Social Economy Network, Enterprise NI and Charity Bank. Funding has been provided by DETI and Invest Northern Ireland.

All of the masterclass events are free to attend. For more information on the series, visit www.podiem.com/socialeconomy.aspx or email socialeconomy@podiem.com.

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