

# Introduction to Social Enterprise



**Training in Collaboration with  
CramdenTECH**

# Agenda

- Social Enterprise versus Commercial Business
- ‘Need’ for the Enterprise – Problem Solving
- Environmentally and socially responsible goods and services
- Setting up an Enterprise - Legal forms
- Running and Funding the Enterprise
- Building brand credibility
- Implications of charitable status

# Nature of Social Enterprise

- Social Enterprises are revenue generating businesses.
  - Goal 1: To generate revenue
  - Goal 2: To achieve social, cultural, community economic and/or environmental outcomes
- Social Enterprises are revenue generating businesses with social objectives, whose profits are re-invested for its social purpose, not shareholder or investor purposes

# Social Enterprise Vs Commercial

- In Ireland, how do you believe a social enterprise differs from a commercial enterprise?
- Identifying the triple bottom-line: social outcomes, economic outcomes, environmental outcomes

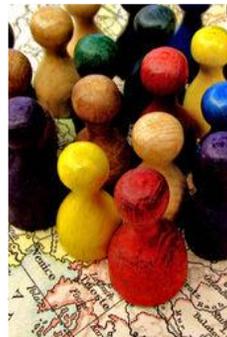
# Sources of Income Generating Ideas



Family, Friends,  
Interests



Problems,  
improvements



Community  
Needs, Trends

# Problem-Solving

- How to identify the 'Need' or 'Problem' that a social enterprise can solve? Possible to use a Process:
- Examine existing and future needs of target audience (community/buyers)
- Examine how these needs are being met
- Examine the resources available
- Read about trends and new ideas

# Setting up a Social Enterprise

- Selecting a legal form:
  - Company limited by guarantee
  - Co-operative
  - Private company with shareholders
  - Trusts, unincorporated associations?

# Running a Social Enterprise

- What are the challenges of running and funding a social enterprise?
  - Sources of finance: bank loans, social finance, member contributions, traded income, fundraising events, grants, LEADER
  - Size of market opportunity: buyers, competitors, alternatives
  - Skillset of promoters: business experience, commitment
  - Staff and human resources: employees, work schemes, volunteers
  - Sustainable operations: traded income growth, cost control
  - Support from wider community: buyers, suppliers, events

# Building Brand Credibility

- Your brand is what other people say about you when you're not in the room.

*Jeff Bezos*

- Need to build emotional relationship between organisation and people
- Your brand leads people to believe your organisation will behave in a certain way

# Building Brand Credibility

- Emotional connections are often fostered through the stories told about an organisation. What is your story?

# Build Brand Credibility

- What's in a name?
  - Meeting rooms for hire in Ballyrow Community Centre
  - Meeting rooms for hire in The Markley Centre

# Implications of Charitable Status

- Access to finance
- Governance arrangements (directors, member accountability)
- Access to community support schemes
- Annual reporting requirements
- Inability to register for VAT
- Ability (if pursuing a charitable social purpose) to obtain a CHY number from Revenue and minimise tax liabilities
- Stakeholder perceptions

# Review

- What are the next steps for your initiative or group? What are the implications for you of being or becoming a social enterprise?

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