

## CASE STUDY

### Social Enterprise East Midlands: Multiplying Social Change Project

In the current climate, one of the key challenges that infrastructure and support organisations face is establishing how they can become less reliant on grant funding. One of the ways organisations can achieve this is by developing trading activities that provide income; **enabling them to deliver and expand the support services they provide to social enterprises.**

Developing these support services will be beneficial to the movement and will also provide an opportunity for regional infrastructure bodies to be more entrepreneurial themselves; generating profits that can be invested back into the provision of support.

#### The Multiplying Social Change Project



Through the Multiplying Social Change project, Social Enterprise East Midlands, SEEM, aimed to establish a model and process for regional infrastructure bodies looking to play a profitable role in taking social enterprises to the marketplace, as well as creating more sustainable business for themselves. The process includes **prospecting, screening, and analysing the value and market position** of social enterprise models and then facilitating their development through replication and/or joint venture.

#### Activities

Throughout the project, SEEM have been learning how to position themselves to be market facing and also help social enterprises to increase their own trade opportunities. A major focus of the project has been capturing learning from business activity to support market analysis and opportunity spotting – SEEM have looked at what development areas would make the biggest impact as well as create income streams. This has activated internal business within SEEM as well as externally; considering how to develop joint venture companies and other partnerships.

The Multiplying Social Change project saw tools generated to support the process for identifying viable business opportunities, contributing to SEEM's sustainability beyond current public funding. These tools consider then measure the impact and fit of an opportunity with the organisation's values, focus, skill set and ability, whilst developing the commercial focus and activity of the organisation

The two tools developed were a **Business Opportunity Analysis (BOA)** and a **Social Enterprise Stage Gate tool**:

- The BOA reports on SEEM's progress developing the strategy, business and governance model for a SEEM trading entity, and includes recommendations of a robust governance process for business development.
- This governance process is the Social Enterprise Stage Gate Process. It details a number of review stages to minimise risk and manage costs during the development of a business idea.

SEEM is now trading as part of two new joint venture businesses it helped to create, with a third in progress. The first is the **Northamptonshire Enterprising Skills Agency CIC** (trading as 3E) which is

run in partnership with the University of Northampton Business School and provides a 'job shop' for NEETs (those not in employment, education or training), redundant professionals and unemployed graduates. The second is **Responsible Futures (UK) Ltd**, run in partnership with Hill Holt Wood, TREES, STRIDE, and Sherwood Energy Village.

The joint ventures are developing well, and are building their profiles with customers and developing contracting relationships. Opportunities have been developed in areas where there are policy drives toward social enterprise; welfare to work provision, low carbon business and offender management services.

### Challenges and Insights from the Multiplying Social Change Project

- It is a major change for representative bodies to become trading businesses themselves. This takes a large amount of resources and steering, support from the board and other partners, as well as vision and an entrepreneurial mindset.
- When looking at the viability of business opportunities, it is important to consider the impact and fit with the organisation's values, focus, skill set and ability.
- When making operational and business changes in an organization, it is often difficult and time-consuming to get governing documents and decisions through a board. Directors need to be responsive and must be able to take rapid decisions in the changing marketplace.
- Replicating social enterprise business models is not easy - each area has specific needs/customers/situations. The P3 model that has been so successful in London, for example, was not directly replicable in East Midlands, so regional changes were made to create a better fit for the organization and beneficiaries.

### The future of the project

Multiplying Social Change has enabled SEEM to become a much more enterprising organisation; considering and analysing new business ideas. This was a route that SEEM hoped to go down anyway, but the project gave them the edge in developing their own ideas, helping to clarify thinking, try out tools and market analysis. SEEM are currently in the testing and implementation stage of the tools and learning they have developed – refreshing their own SEEM business model, implementing their findings, and moving into new business arenas.

The project activity and learning will be a great resource for other social enterprise support bodies in the current economic and political landscape. The tools and processes are being developed so that they are transferrable and able to be used by other support organisations and regional infrastructure bodies looking to move into different arenas and away from a reliance on grant funding.

The Multiplying Social Change project helped to clarify such thinking and create opportunities for Social Enterprise East Midlands. The activities of the project will potentially enable SEEM to move from grant funding to a sustainable trading organisation - ensuring that it remains in place to support social enterprises in the East Midlands.

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