

An Introductory Guide to
SOCIAL ENTERPRISING
FOR BISSELL CENTER



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1.1 SOCIAL ENTREPRENEURSHIP, VENTURES AND ENTERPRISES

Social entrepreneurship is emerging as an innovative approach for dealing with complex social problems¹. The field of social entrepreneurship is fast evolving and this has come with lots of opinions and debate on the definition of social entrepreneurship. In addition to this is the widespread interchangeable use of the terms “Social venture” and “Social enterprise”. In this report, beyond definition, attention is rather given to establishing a conceptual relationship between “social entrepreneurship”, “social ventures” and “social enterprise”. This will help in shaping understanding and in the extraction of value from subsequent sections of this report.

Social entrepreneurship describes the process by which individuals or organizations, functioning as social change agents, identify opportunities, mobilize and allocate resources for the creation of social value. This creation of social value is often through the identification of unmet needs in the society or through the identification of opportunities for social change. Ideally, social entrepreneurship is characterized by the following²:

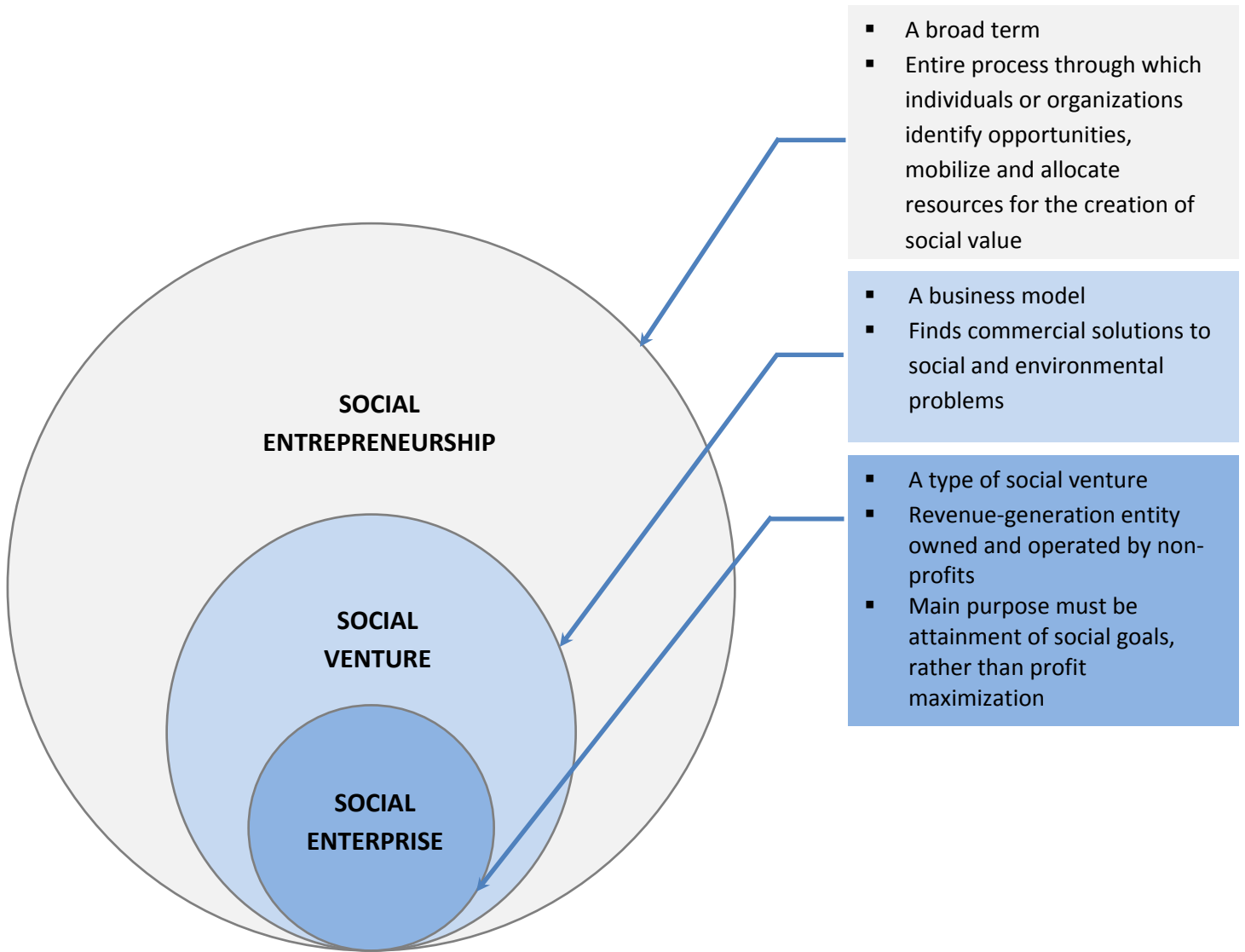
- A mission to create and sustain social value is at the heart of all entrepreneurial activities
- Ongoing recognition and relentless pursuit of new opportunities to serve the mission
- Establishing scalable systems (organizational frameworks or business models) for serving this social mission and incorporating continuous innovation, adaptation and learning into these systems
- Acting boldly without being restricted by limited resources
- Exhibiting high accountability towards the society it serves

Within this vast scope of social entrepreneurship is the vital component of social venture.

A social venture is a unique business model that is driven by a social mission and creates social value for its customers, society and/or the environment through its products, services and/or business practices³ (e.g. supply chain, internal operations, business ethics, advocacy and philanthropic activities). A social venture could be for-profit (generating taxable income for disbursement to the owners) or non-profit (operating at break even or generating non-taxable income for re-investment into social programs)

A social enterprise is a non-profit social venture; a commercial and revenue generating entity owned and operated by a non-profit organization. Social enterprises could be described as the non-profit form of social ventures and operate within a legal framework that makes them tax-exempt. They are the on-mission enterprising arm of a charity/non-profit.

Figure 1: Relationship between Social entrepreneurship, Social ventures and Social enterprise



1.2 SOCIAL TO FINANCIAL BUSINESS CONTINUUM

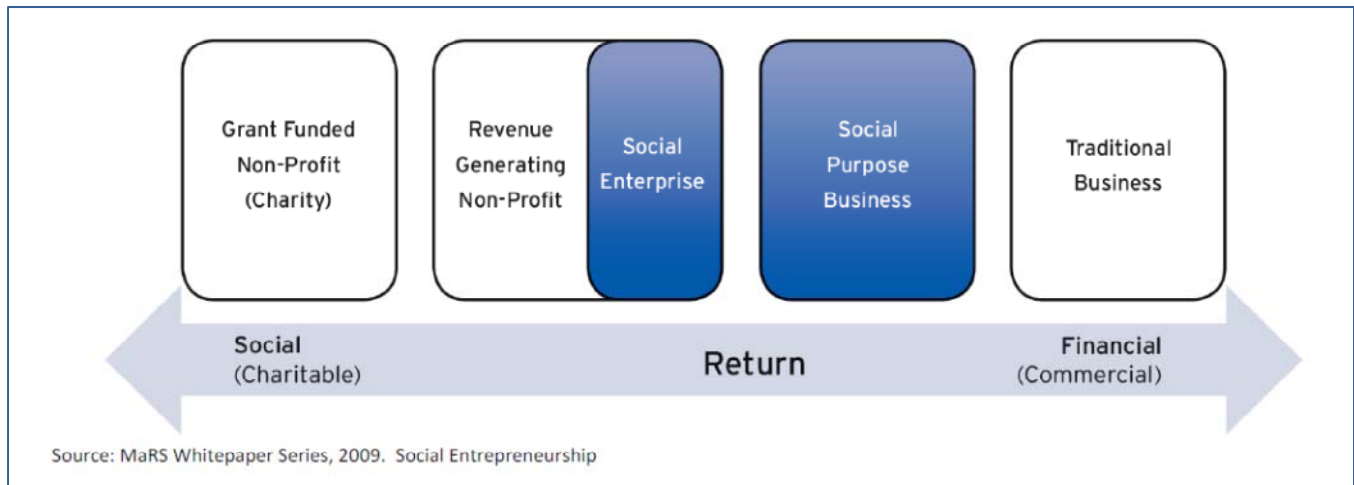


TABLE 1: Spectrum of Organizations: From charity to Traditional Businesses

	Non-Profit (Charity)	Social Enterprise	Social Purpose Business	Traditional Business
Type of Return	Focus solely on generating social returns	Social and financial returns with a primary focus on social return	Aims for financial return without compromising social returns	Primarily financial
Funding	Depends fully on grants	A hybrid of grants and self-generated income	Equity, venture capital, grants (in few cases) and self-generated income	Equity and venture capital
Operations	Achieves its mission via programs	Operates as a business and incorporates social value into its products/services and business operations	Incorporates social value into its products/services and business operations	The creation of social value is not primary in its design of business operations
Legal Structure	Incorporated as a charity	Housed within a non-profit or charity	Has a separate legal identity e.g. LLC, 3LC, B-corporation etc.	Has a legal identity of its own e.g. PLC, LLC, Sole enterprise etc.
CIC Tax Status	Tax exempt	Tax exempt	Pays regular tax	Pays regular tax

1.3 THE “WHY” OF SOCIAL ENTERPRISE

The prevalence of social enterprise and its speedy growth within the last two decades begs for answers to the following questions:

- What is the reason for the recent growth of social enterprises?
- Why do non-profits start up social enterprises?
- What do non-profit stand to gain from owning a social enterprise?

The Canadian social enterprise guide, published by *enterprising non-profits (enp)*, provides some useful answers.

Reason for recent growth of social enterprises

- *Diminished government funding*: Government funding programs are becoming increasingly oversubscribed and more difficult to access, especially for newer or emerging non-profits. As a result, non-profits and charities continue to be faced with the pressure to diversify or raise their own revenues.
- *Meeting needs the marketplace does not fill*: There are needs the market will never fill. More and more non-profit organizations are creating revenue-generating businesses that provide social benefit in areas where the market has not responded. For instance in the field of community economic development (CED), the greatest incentive has been to provide employment and training for individuals who face significant barriers to participating in the workforce.
- *Potential to further the organization’s mission*: A social enterprise can meet the needs of clients, their community and at the same time, the organization’s clients can gain a valuable set of skills. This type of enterprise may offer services that increase the organization’s ability to deliver on its mission, or sell items that promote the organization’s mission.
- *Social enterprise as a vehicle for social innovation*: Social enterprise is now seen as a promising vehicle for social innovation. The growth of social enterprise around the world has provided the opportunity for non-profits to create new integrative approaches to environmental sustainability, to health and social care through social enterprise.

Reason for start-up of social enterprises

- Possession (purchased or given) of an asset that is capable of generating revenues
- A need to diversify source of funds for non-profits.
- Possibility of selling programs and services to new markets, which it offers free to its constituency (community that it serves).
- Possibility of generating more revenue from fee-for-service programs by operating them in a business-like manner.

- A need to provide employment to the clients it serves as a means of fulfilling its social mission.
- An avenue of providing opportunity to people to gain practical experience and skills that can be used to find regular employment.
- It is a viable tool for community economic development via provision of needed services, generation of jobs and revitalization of communities that are economically depressed.

Organizational benefits of Starting a Social Enterprise

- *Enhanced organizational capacity:* Many organizations that have developed and operated enterprises report that the experience has contributed to building capacity within their organizations in the form of acquisition of new skills by existing staff and board, attraction of new board members and staff as well as improved efficiency of administrative and financial systems.
- *Increased visibility and awareness, and enhanced reputation:* The operation of a social enterprise often creates opportunities for an organization to enhance its image and visibility in the community, which can lead to a greater awareness of and support for its programs and charitable activities.
- *Attracting and retaining donors and investors:* Partly as a result of enhanced organization capacity and increased visibility (the two benefits mentioned above), launching an enterprise can attract new and sometimes unlikely donors (e.g. clients of the enterprise and investors in the enterprise).
- *Creation of social capital:* Social enterprise cafes, farmers markets, laundry services, even print shops have created inviting and inclusive environments that build community and reduce isolation, while generating revenue and/or providing much needed training or employment for clients.

1.4 SIGNIFICANCE TO SOCIETY

The external economic benefit of new job creation and the internal organizational benefit of enabling non-profits to sustain their services are key benefits of social enterprising. In addition to these key benefits, social enterprise contributes significantly to the building of a healthy and sustainable community in the following ways⁴:

- **Address Environmental Issues:** Recycling, education, ecotourism and car-sharing – all are social enterprise models of addressing critical environmental issues.
[Saskatchewan Association of Rehabilitation Centers, <http://www.sarcsarcan.ca/sarcan/>]
- **Stimulate Economic Revitalization:** In specific communities, social enterprise is a key element of economic diversity and early development particularly in inner-city and depressed rural communities.

[Potluck Catering, Vancouver, <http://www.potluckcatering.org/>]

- **Reduce Poverty:** Poverty is attacked by social enterprises by providing the training, skills, resources and related opportunities for a living wage, building affordable housing, and operating appropriate support systems to move low-income persons out of poverty permanently.

[Kids in the Hall Bristo, Edmonton, <http://www.kidsinthehallbistro.com/>]

- **Provide Accessible Health Care:** In rural communities, for immigrants, low-income families, seniors, and others, affordable and accessible health care is critical.

[Health and Home Care Society, Vancouver, <http://www.carebc.ca/contact>]

- **Integrate Immigrants:** New Canadians are a vital component of many communities, and the effective integration of their skills and culture can be offered through social enterprise.
- **Provide services and products to an underserved community:** Social enterprises are effective and efficient at helping meet the basic needs for the hardest to serve in many communities.
- **Develop social and cultural capital:** Social and cultural capital are key elements of healthy communities, and many social enterprises address these needs.

1.5 SOCIAL ENTERPRISE: IMPLICATIONS FOR NON-PROFITS

Purpose: A social enterprise's main purpose must be attainment of certain social goals, rather than profit maximization⁵.

Structural/Legal: Would-be initiators of social enterprises need to decide whether to operate the enterprise in-house (*within the existing charitable/non-profit structure*) or as a separate entity (*for-profit subsidiaries, separate non-profit societies, co-operatives, and joint ventures/partnerships*). Each of these options has its corresponding legal implication.

Funding: Social enterprises (*different from social venture*) have very limited ability to attract equity from investors and thus have reduced access to venture capital.

Financial: May not earn a profit in the first three to five years. Requires continual reinvestment to sustain growth and increase its relevance to society.

Managerial: Significant differences in skill sets required to successfully set up and operate a business and those needed to operate a charity/non-profit.

Governance: Operating a social enterprise will redefine board staff relationships, raise level of board discussion, utilize board members in new ways and may entail bringing on board new board members with requisite skills.

2.1 POTLUCK CATERING, VANCOUVER

Description:

Potluck Catering is a professional caterer of choice for innovative corporate clients, non-profit clients, government agencies and private events throughout Vancouver. Potluck Catering officially started operations in March 2002, has years of rich catering experience and serves a wide variety of catering needs, from small meetings to large events and conferences, breakfast, lunch, dinner, tapas and everything in between.

In addition to regular walk in customers, it runs a number of catering partnerships with big clients such as Business Objects, Shaw Communications, Vancity, Vancouver Public Library, Heart and Stroke Foundation, and 2010 Legacies Now.

Social Benefits and Impact:

The social outcomes generated by Potluck Catering can be classified based on

- **Business operations**
 - ✓ Potluck works towards environmental sustainability and reducing its ecological footprint through the implementation of improved business practices (recycling, biodegradable packaging) and food offerings (organic and fair trade).
 - ✓ It is an approved member of the Green Table Network and runs its business to reflect expert standards of sustainability programs like OceanWise, Local Food Plus, SeaChoice and others.
- **Integrated social programs**
 - ✓ An Integrated Food Services & Life Skills Training and Employment Program that has trained and employed dozens of Down Town East Side (DTES) residents with barriers to employment.
 - ✓ A daily Meal Program that provides over 30,000 free meals annually to residents of the DTES suffering with severe physical and mental health and addictions challenges.
 - ✓ A Community Kitchen Program that regularly welcomes a small group of DTES residents to learn basic cooking and nutrition skills and nurture relationships with other neighbourhood residents in the warm and familiar Potluck Café.
- **Destination of generated income**

Potluck Catering is managed by a registered charity (Potluck Café Society), therefore all catering revenue is directly invested back into its five community social programs, three of which are directly integrated into its daily operations. These include:

- ✓ Integrated Food Services & Life Skills Training and Employment Program
- ✓ Daily Meal Program
- ✓ Community Kitchen Program
- ✓ Recipes for Success Outreach Program
- ✓ DTES Kitchen Tables Project

Awards:

Potluck Catering was the recipient of the inaugural Social EnterPrize award for mature organizations by Trico Charitable Foundation - a Calgary based charity that provokes innovation and builds capacity for social entrepreneurship.

Funding (Seed Capital):

The Potluck Catering social enterprise came into form through the assistance of:

- The donation of unused space by the Portland Hotel
- A start up grant from the (then) Ministry of Community Development, Co-operatives and Volunteers
- A grant from Vancouver Foundation to purchase equipment
- A contribution agreement with Human Resource Development Council (HRDC) for training

Funding (Continuing Operations):

- Enterprising Non-profit Program (Grant)
- Central City Mission (Grant)
- Vancity Community Foundation (Grant)
- Vancouver Foundation (Grant)
- Vancouver Savings Credit Union (Grant)
- Co-operators Group (Support for capacity building initiatives)
- BC Technology Social Venture Partners (Support for capacity building initiatives)
- PricewaterhouseCoopers (Business plan development)

Parent Charity Organization:

Potluck Catering is managed by Potluck Café Society, a charity whose Vision, Mission and Values are as below:

Vision

To improve the quality of life and economic vitality in the Downtown Eastside (DTES) community by providing training opportunities and permanent, stable jobs and accessible, nutritious meals to its residents

Mission

Potluck operates a competitive and market rate Café & Catering enterprise that generates revenues to support Potluck's community programs

Values

Quality, Respect, Acceptance, Diversity, Commitment, Innovation

Legal Structure:

- Potluck Café Society operates Potluck Catering as an in-house program (specifically as the anchor program that supports all other programs), under the governance of the organization's board of directors and subject to the organization's constitution and bylaws.
- Essentially, the business activity is housed within the charity's legal structure, in the same way that any other programs or projects would be.

Canada Revenue Agency (CRA) Enterprise Structure:

Based on CRA categorization, Potluck Catering is "Business as a charitable program" as a result of its direct impact on community economic development.

Management Framework:

- **Viability Target:** Social Enterprises could be operated with the viability objective of a break-even or a specific profit margin (common values are within 10% to 30%). In some poorly managed enterprises, no viability target is set.

The viability target for Potluck Catering is not known but it is certainly operating above break-even and as a major source of funds for its parent charity organization.

- **Board Oversight:** Since the legal structure places Potluck Catering under its parent charity, the board of Potluck Café Society (parent charity) oversees the catering business.

Best governance practice is to ensure a number of board members have valuable experience in business and to have these board members form a "Business Committee" who would oversee the social enterprise, work directly with the manager of the social enterprise and report back to the whole board.

- **Exit Planning:** It is very unlikely that the board of Potluck Café Society considered exit planning since Potluck Catering started before Potluck Café Society was incorporated as a charity providing the legal structure to house the catering enterprise. It is necessary to consider exit planning when you have a non-profit or charity (e.g. Bissell Centre) that has

previously operated based on grants and donations and wants to start a social enterprise to extend its existing programs as well as generate income.

Research work by Easterly and Miesing (2009) demonstrate that agencies that operated financially profitable enterprises and most agencies that operated enterprises that broke even set clear financial performance standards and had an exit plan with clearly specified criteria for when to terminate the business if it failed to meet predefined financial targets in a specified period of time.

- **Benchmarking:** Similar to exit planning, it is unlikely that Potluck Café Society had a benchmark since the catering started off informally in 1999 and then grew to have a formal structure in 2002 when the owners saw that the prospects were good. For established non-profits and charities it is important to maintain performance by benchmarking the social enterprise against similar programs.
- **Product/Service Strategy:** Potluck Catering applies competitive market rate prices to their product and catering services.

As a best practice for non-profits that depend hugely on public funds, it is advisable for their social enterprise to compete on quality and convenience rather than on price.

Financial Performance:

Information not available

Challenges:

How does a society that operates a competitive market-rate catering service with big corporate clients prove to Canada Revenue Agency (CRA) that it qualifies as “Business as a charitable program”? This question was the greatest challenge of Potluck Café Society.

CRA initially rejected the Potluck Café Society application for charitable status. At first, without further clarification, CRA said it was unlikely Potluck would qualify for charitable status because it looked as if Potluck were running a business. And while they could see Potluck was providing on-the-job training, Potluck hadn’t provided sufficient information to describe the specific details.

Potluck took the following actions:

- ✓ Potluck revised the wording of its purposes. For charitable status, the organization’s purpose has to be training, as opposed to providing jobs.

- ✓ Potluck provided CRA with extensive substantiating information about the nature of its on-the-job training program, with timelines, detailed modules, outcomes, evaluation, and so on.
- ✓ Potluck also showed CRA that the Downtown Eastside of Vancouver qualifies as an “economically challenged community.” Potlucks explicitly demonstrated the impact of the training in the Downtown Eastside, where many people are unemployed, come from generations of poverty, and have multiple barriers to employment such as drug addiction, mental illness, and HIV/AIDS.
- ✓ To manage CRA’s concerns about the number of market rate meals Potluck was serving and the nature of the catering business, Potluck provided information about the fact that its market-rate meals amounted to about 8 percent of meals served (in DTES).
- ✓ Potluck also described the importance to its clientele of being able to have subsidized meals in a “normal” setting instead of standing in a food-line, and the value of exposing individuals in the on-the-job training program to a wider segment of the general population.

At the end of the day, CRA determined that Potluck does operate a for-profit venture in order to provide on-the-job training for “hard-to-employ” people. CRA decided that the café and the catering operation were not to be considered as a business, related or non-related, but integrated as part of the charitable programs of Potluck Café Society.

2.2 EMBERS STAFFING SOLUTIONS, VANCOUVER

Description:

EMBERS Staffing Solution (ESS) is one of Canada's few non-profit temporary staffing agency providing socially responsible staffing solutions to companies in Vancouver and the Lower Mainland. It commenced operations in 2008 and provides companies with high quality blue and white-collar workers (*on a monthly, weekly or daily basis*) to meet staffing needs in the construction, warehouse, administrative, service sector and trades⁶.

Its candidate pool for job placement constitutes disadvantages workers who have significant barriers to entering the workforce.

Social Benefits and Impact:

The social outcomes generated by EMBERS Staffing Solution can be classified based on

▪ **Business operations:**

- ✓ Recruitment is mainly focused on people who have graduated from addiction recovery programs and parolees seeking to reenter the community after their release from prison⁷.
- ✓ Leverage referrals from second stage recovery transition houses, corrections systems and some local employment agencies to build its candidate pool.

▪ **Social Support Initiatives:**

Present

- ✓ Support their workers to improve their skills and advance their career.
- ✓ Collaborate with external agency partners to provide pre-employment support services (*skill identification, resume construction, job search methods and interview strategies*).
- ✓ One-on-one coaching and counseling for workers, with 24/7 availability during crisis.
- ✓ Assist workers with bus tickets and have a "lending library" of boots and safety equipment that workers can borrow until they're able to buy their own.

Planned

- ✓ In-house pre-employment support services.
- ✓ Provision of financial literacy training for its workers.
- ✓ Provision of transitional housing for its worker population to help bridge the gap between their release from treatment facilities and stable employment.

▪ **Destination of generated income:**

- ✓ All profits from EMBERS Staffing Solutions are reinvested back into EMBERS Staffing Solutions' employment programs to help improve the lives and skills of workers.

Awards/Prizes:

EMBERS Staffing Solutions was the first place prize winner at the 2012 Social Enterprise Dragons' Den competition held in Vancouver. The event was organized by Enterprising Non-Profits (ENP) in partnership with KPMG, Junxion and JDQ Systems Inc.

Funding (Continuing Operations):

Apart from revenues from its operations (*characterized by increasing revenue, diminishing losses but no profit*) the other sources of funds and support for EMBERS are:

- ✓ City of Vancouver
- ✓ Vancity Community Foundation
- ✓ BC Technology Social Venture Partners - BCT|VCP
- ✓ Vancouver Foundation
- ✓ TD Bank
- ✓ Accenture
- ✓ Home Depot
- ✓ InTimeSoft Solutions

Parent Charity Organization:

EMBERS Staffing Solutions is operated as a program by the Eastside Movement for Business and Economic Renewal Society (EMBERS). EMBERS was founded in 2001 with a vision of sustainable community development and a mission to empower disadvantaged people to become economically self-sufficient. It was registered as a charity in 2006.

It accomplishes its vision and mission through three programs:

- EMBERS Staffing Solutions
- EMBERS Ventures - Provides business training and support services for would-be entrepreneurs
- EMBERS Green renovations - Engaged in building sustainable communities

Legal Structure:

- EMBERS operates EMBERS Staffing Solutions as an in-house program, under the governance of the organization's board of directors and subject to the organization's constitution and bylaws.
- Essentially, the business activity is housed within the charity's legal structure, in the same way that any other programs or projects would be.

Canada Revenue Agency (CRA) Enterprise Structure:

Based on CRA categorization, EMBERS Staffing Solutions is “Business as a charitable program” as a result of its direct impact on community economic development.

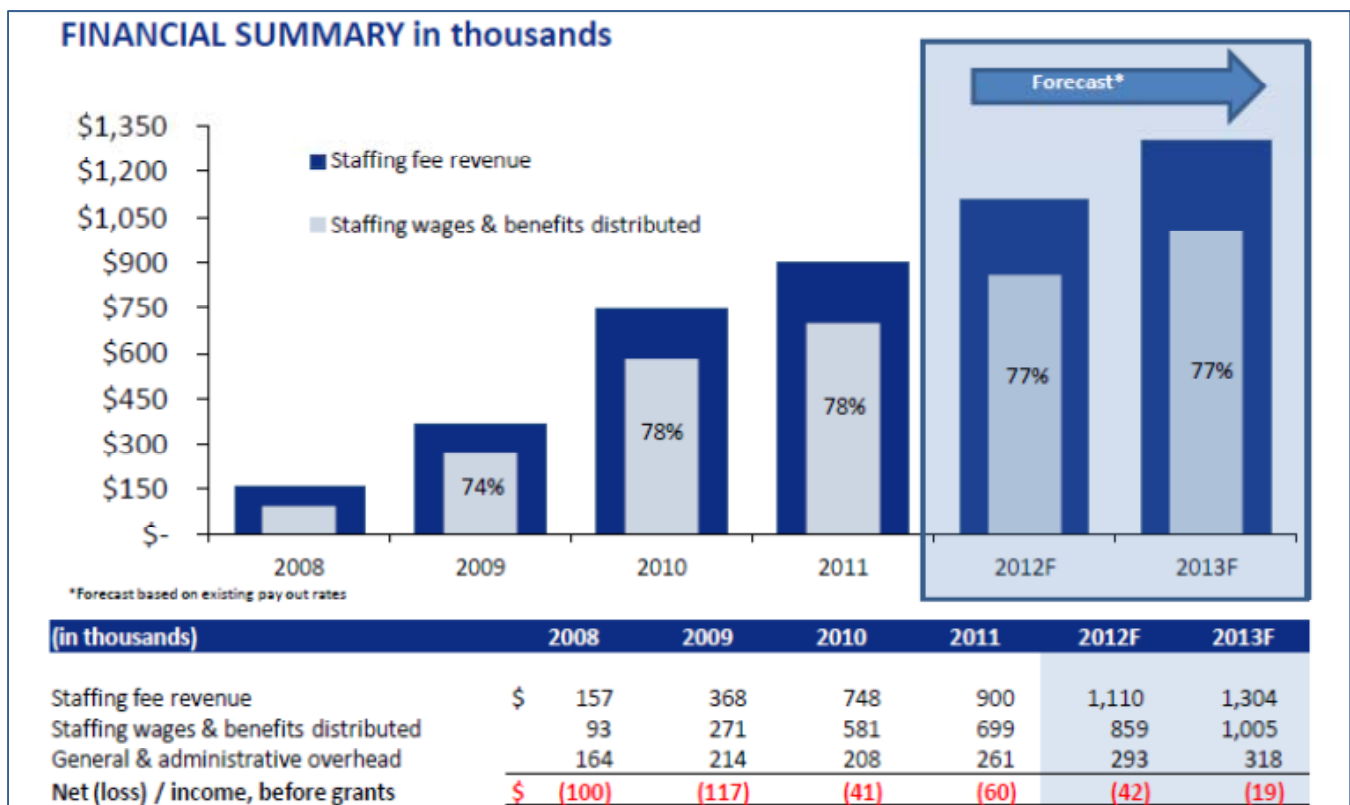
Financial Performance:

2008-09: The enterprise generated enough revenue to cover about 64% of its cost

2010-11: The enterprise generated enough revenue to cover about 94% of its cost

Presently, EMBERS Staffing Solutions is yet to make a profit but shows a strong potential for profitability.

Figure 2: EMBERS Staffing Solutions Sales and Financial History



Source: EMBERS Staffing Solutions, “2012 Social Enterprise Dragons Den Presentation”, <http://www.socialenterprisedragons.com/i/pdf/ESS-Presentation-SE-Dragon%27s-Competition-FINAL.pdf>, accessed March 28, 2012

Social Impact Metrics:

Figure 3: 2008 – 2013 EMBERS Staffing Solutions Social Impact metrics

	2008	2009	2010	2011	2012F	2013F
Number of people employed	45	174	344	252	270	300
Number of Full Time Equivalents (FTE's)	2	8	17	20	25	30
Total wages distributed per FTE	\$ 34,992	29,092	31,637	31,429	29,823	29,357
Average Hourly Wage	\$17.94	\$14.92	\$16.22	\$16.12	\$15.29	\$15.05
Number of people transitioned to full time work or back to school	9	50	156	125	135	150
Ratio of people employed to transitioned	20%	29%	45%	50%	50%	50%
Total transitioned in 2008 to 2011	<u>340</u>		Total transitions Forecast for 2012 & 2013			<u>285</u>

Source: EMBERS Staffing Solutions, "2012 Social Enterprise Dragons' Den Presentation", <http://www.socialenterprisedragons.com/i/pdf/ESS-Presentation-SE-Dragon%27s-Competition-FINAL.pdf>, accessed March 28, 2012

Challenges:

The major challenge of EMBERS Staffing Solutions is that it has not made a profit since its startup in 2008 - its operation is not yet fully self-sufficient. This is attributed to three key factors:

- *Limited exposure in the market (inadequate brand awareness):* This is a result of inadequate funding to launch an effective large scale marketing/media campaign.
- *Cyclical (seasonal) business pattern of existing clients:* Presently, EMBERS Staffing Solutions key clients are from the construction industry. The seasonal nature of this industry therefore affects its employment services.
- *Tiny market share:* Within the construction industry where EMBERS Staffing Solutions generates most of its revenue, its market share is estimated at 0.4%⁸. There is need to expand its market share as well as enter into other markets for temporary employment services.

3.1 ORGANIZATIONAL READINESS ASSESSMENT

The Importance of evaluating organizational readiness

- Social enterprises are not immune to the challenges and market forces that impact small business hence there is a likelihood of failure within the first few years.
- The dichotomy between a for-profit approach to business and day-to-day mandate of a non-profit could make poorly planned involvement in social enterprise disruptive to Bissell’s organizational culture.
- The high transaction costs in managing these multiple accountabilities and bottom lines, and the process can lead to tensions around Bissell's mission focus.
- The required continual cultural change, towards becoming more entrepreneurial, will come with additional pressures on Bissell Centre in terms of staffing, financing, and maintaining existing programs and services.

Basic Organizational Readiness		
	CRITERIA	EXPECTATION
1.	Clear vision and mission statements	Bissell’s board and staff must understand the values upon which Bissell’s vision and mission statements are based.
2	Strategic plan	A specific strategic plan must have been adopted, by which Bissell has identified opportunities and threats and can respond and change the plan as situations arise. Thus the staff and board of Bissell Centre will need to periodically review the plan.
3	Internal change	Bissell Centre must have the capacity to manage change in a positive manner.
4	Internal conflict	Bissell Centre must have the skill to manage internal conflict.
5	Financial management	Bissell Centre needs to be clearly aware of its financial position and to have developed a likely financial scenario for the next two to three years that has defined the likely threats and opportunities and Bissell Centre’s intended responses to them.
6	Cost-effectiveness	Closely related to financial management, cost-effectiveness must

		be considered when Bissell Centre evaluates its services and programs.
7	Personnel	Bissell Centre must have explicit personnel policies, with clear job descriptions and lines of responsibility and authority. But more than that, it will have a culture that encourages staff to be creative and to take risks.
8	Learning Organization	Bissell Centre must be committed to ongoing learning.

Social Enterprise Readiness		
	CRITERIA	EXPECTATION
1.	Understanding the concept of social enterprise	Board, management, and all other staff should understand and be interested in the idea of a social enterprise for Bissell Centre
2	Outside buy-in	Outside stakeholders should be informed and supportive
3	Potential competitors, potential allies	Bissell Centre must know the field of potential allies and competitors
4	Setting aside resources	Staff time will have to be specifically allocated for developing the enterprise, and both board and other staff will have to be putting in extra effort

Business Readiness		
	CRITERIA	EXPECTATION
1.	Business experience	There must already be, or must be added, significant business experience at both Bissell’s board and staff levels
2	Staff champion for the initiative	The champion of the business will have the ability and authority to move the idea forward
3	Financial and information systems	Bissell Centre must have a strong book-keeping and accounting system that can track Bissell’s business venture separately from the finances of Bissell Centre
4	Capital to plan and launch	The organization has to be able and willing to contribute capital to the enterprise for its development stages and to have in mind highly likely or even guaranteed sources of capital for actually launching the enterprise
5	Human and other resources	Staff must already have the required skills, or Bissell Centre must have a plan for acquiring those skills, either through hiring or through training

Building Basic Organizational Readiness

- Hire a consultant to help, and structure his or her work around the issues Bissell Centre has identified.
- Engage the board in a quick assessment of the organization’s strengths and weaknesses.
- Develop an organization-wide business plan that includes the social enterprise.
- Review and update or create a strategic plan for Bissell Centre.
- Ensure that Bissell Centre reviews and revitalizes the organization’s mission, vision and values.
- Review and continually improve Bissell Centre’s means of communicating, both internally and externally.
- Review Bissell’s board governance, including policies for board members.
- Prepare updated job descriptions and staff policies.
- Develop a list of priorities for Bissell Centre and the tools required to achieve them.
- Review Bissell’s training and education budget, and staff and board policies. Make it a priority for everyone in the organization to learn something new.

- Discuss how Bissell Centre could set aside resources. Include a review of Bissell’s financial management systems in general.
- Engage outside stakeholders to share their perspective on Bissell Centre and where it is heading.

Building Social Enterprise Readiness

- Invite other social enterprises to speak to Bissell’s staff and board. Ask them to share their experiences, including the challenges, the benefits, and even the failures, of operating social enterprises.
- Do site visits to other enterprises. See what a difference they are making in their communities and for the staff working in the business.
- Look out for social enterprise networks and join in their professional development offerings.
- Attend conferences and forums on social enterprise. *For example, the Social Enterprise Council of Canada plans conferences every two years, and other regional groups host workshops and conferences focused on social enterprise.*
- Participate in listserves, discussion forums, and wiki’s for social enterprise, including the “Ask an Expert” section of the *enp* website, the Social Enterprise Alliance’s (SEA) listserve, and the Canadian Social Enterprise Forum, to pose questions and offer Bissell’s experience in social enterprise.
- Access resources or similar business models online or through other organizations that are willing to share resources.

Building Business Readiness

- Recruit new board members - financial institution staff, accountants, and people with business experience in the sector Bissell is planning to enter.
- Hire staff with business experience and train them to understand and work in the non-profit sector.
- Train existing staff in the business skills, or offer to sponsor them in a business course of studies. Skills training for existing staff can be as intensive as taking an MBA program or as limited as attending a single evening course through a continuing education program.
- Build a mentorship approach with other social enterprises.
- Assess Bissell’s board’s ability to read and understand financial statements, and experiment with better ways of reporting and discussing.
- Develop a working group that involves board and staff members working with a business person.
- Consider creating and convening a business advisory group to support staff and board throughout the business development process.

- Develop a risk management plan and an exit strategy.
- Apply for grants to hire business students or seek out ways to provide student placements or internships in exchange for market research or public relations on Bissell's business enterprise.
- Contact Bissell's financial institution and ask for a workshop on business practices for non-profits.
- Contact the local Canada Business Service Centre in person or online. Recent changes in policy allow non-profit as well as for-profit entrepreneurs to access to their services.

3.2 FUNDING FRAMEWORK

Raising funds for the kick-off of a social enterprise is quite a challenge and could be much challenging in communities where supportive policies and frameworks are inadequate or lacking completely.

Business Development Cycle and Finance Strategy

The kind of funds a social enterprise needs and can access depends largely on its present position in its business development cycle. In raising financing, there is need for a well-written business plan, which should articulate the type of financing needed. The business plan should contain carefully researched and accurate financial objectives and pro forma financial statements. There will be different financial objectives at different stages. Examples are presented below:

Idea stage: financial objective may be to find the resources to conduct a feasibility study

Early stage: financial objective may be to find resources to build technical capacity

Startup phase: financial objective may be to acquire the equipment needed

As the business develops: financial objective may be to break even

Later in the business development: financial objective may be to achieve a high profit margin
(with or without borrowed funds)

As the business grows: financial objective may be to increase sales through more sophisticated marketing strategies

Each of these financial objectives requires a different financial strategy. A social enterprise will have a number of different financial strategies through the life cycle of the business.

Sources of Funds

Traditional Philanthropy

Grants can be seen as a source of equity as, once granted, the grantor has little or no control over the money except for requiring a final report. Increasingly, funders are describing grants as investments which provide a social, rather than financial, return. Instead of using the term “grant,” funders are tending to speak about “community investments” or “investing in the development of social capital.”

Traditionally grants are given to support social programs, community development, community economic development, or organizational development. Many grants cannot be used to fund activities directly related to social enterprise. However some, while they cannot be used for activities directly related to developing social enterprise, can be used for building the capacity of the organization in such a way that skills and expertise required to start a business venture are developed.

Examples:

- ✓ Municipal (City) Governments
- ✓ Provincial Governments
- ✓ Edmonton Community Foundation
- ✓ Local Funding agencies

Examples (That have funded SEs):

- ✓ Partners in Organizational Development (*Vancouver based initiative*)
- ✓ Community Economic Development Technical Assistance Program (*CEDTAP is National in scope*)

Venture Philanthropy

Venture philanthropists always view grants as “investments,” and call the organizations to which they give money “investees.” They make long term, usually 3-6 year, commitments to an organization and, during that time, work in partnership with the organization providing business skills and technical assistance. Venture philanthropists use social outcomes measures to assess the social impact.

Examples:

- ✓ BC Technology Social Venture Partners (*BCTSVP – Vancouver based initiative*)
- ✓ Enterprising Non-profits Program (*ENP - A partnership, between the Vancouver Foundation, Vancity Community Foundation, Coast Capital Savings, United Way, and the federal government through Western Economic diversification*)

NOTE: The venture philanthropy concept as defined is not common in Alberta.

Other Sources

The scope of this report focuses on the operation of an in-house social enterprise by the Bissell Centre within an Edmonton context. Several other sources of funds exist but are not presently applicable to the scope of this report. They are listed below:

- ✓ Community Debt financing
- ✓ Community Development Equity/Venture Capital
- ✓ Angel investors and Social Venture Capital
- ✓ Socially Responsible Investors
- ✓ Traditional Capital (Banks and Credit Unions)

A detailed explanation of the funding framework built around these sources is contained in the **“Guide to Finance for Social Enterprise”** published by the Canadian Social Entrepreneurship Foundation (CSEF). Kindly see appendix A and B for a summary of these funding frameworks.

Social Enterprise Fund (SEF) Edmonton

This is the main source of funds for Social Enterprises in Edmonton.

Description:

The Social Enterprise Fund (SEF) is a sustainable 10.5 million dollar endowment fund that will provide needed financing and technical assistance to social enterprises and affordable housing projects⁹.

Objective:

Provide funding that will enable the community to develop small businesses that have a significant social impact, create housing developments for low-income people and employ otherwise unemployed or underemployed individuals.

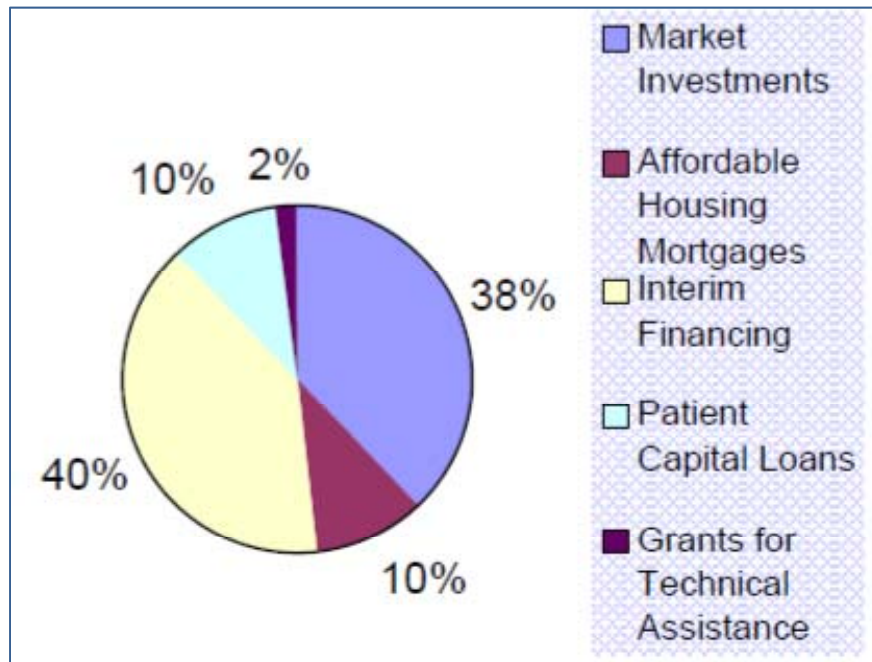
Funding Instruments:

- ✓ Loans
- ✓ Grants
- ✓ Investments and other forms of financing

Administered by the Edmonton Community Foundation, the SEF is the financing tool needed to ensure social enterprises succeed and affordable housing projects are built.

SEF –Allocation of funds

Figure 3: SEF Investment Portfolio



Source: www.csef.ca/AlbertaSocialEnterpriseFundInfoDocu.pdf, accessed March 15, 2012

SEF Beneficiaries (Recommended Models)⁶

GOODWILL ENTERPRISES' EXPANSION FINANCING: DOOR-KNOCKING FOR CLOTHING RACKS

Goodwill Enterprises is a true social enterprise success story. With a \$400,000 Community Initiative Program (CIP) grant in 2003, Goodwill expanded from eight to 12 centres. By 2005, Goodwill was generating over \$700,000 in monthly retail revenues and had increased employment from 75 to 235 Albertans with disabilities. Access to this grant allowed Goodwill to maximize its resources, utilize economies of scale, increase sales by 300 per cent and further its social mandate. A small investment with great rewards.

*When Goodwill needed an additional \$500,000 to increase capacity and maintain growth they sought foundation grants and commercial loans, but their applications were denied. Goodwill Enterprises, with an exceptional track record and excellent business plan, fell into the **financing gap** between charitable funding and traditional lenders. As there was no financing vehicle available in Alberta, Goodwill finally obtained a loan from Goodwill in Manasota, Florida. Loan financing allowed Goodwill to expand its operations and help more people in need.*

This is the kind of venture the Social Enterprise Fund will finance or otherwise support. Investment in Edmonton will be financed in Edmonton. There are many opportunities for this type of social investment.

BRIDGE FINANCING NEEDED FOR WOMEN BUILDING FUTURES

As a registered, not for profit, charitable organization, “Women Building Futures” (WBF) helps women build better lives and achieve economic independence through training and mentorship in various trades.

In order to be less reliant on government funding, WBF began a related business, “Fix-It-Chicks Inc.”, that provides all-women classes for home improvement areas such as electrical, plumbing and tile-setting.

In 2006 WBF purchased a 30,000 square foot warehouse hoping to convert it into a training and student housing facility. Entering the commercial property business required \$1.4 million. WBF secured millions of dollars in renovation funds through a variety of government grants, but the funds would not be available for up to a year. The government funders insisted that WBF buy the building as a show of commitment.

***WBF required bridge financing** to secure the property. Unable to secure financing through traditional lenders or foundations, WBF began a long, hard search for a sympathetic lender. Luckily, they were able to access private capital for a six-month period until the funding was received. Without the generosity of this lender, WBF would have been unable to proceed and would have missed the opportunity to move towards a sustainable long-term vision.*

SEF will provide timely, flexible financing to help organizations like WBF succeed in the long term.

SEF – Recent Beneficiaries⁷

- Expressionz Café: - Business Promotion
 - Business planning
 - Funding
- Live Local: - Access to Business Expert (Consultancy)
 - Business planning
 - Funding
- Metis Urban Housing: - Access to Business Expert (Consultancy)
 - Interim Funding (Bridge finance)
- SAGE: - Feasibility study
 - Business planning
- CASA Family mental health service: - Loan

3.3 MANAGEMENT FRAMEWORK

A well planned management framework is critical to the success of a social enterprise. Key components of this management framework are:

Social Enterprise Management: It has to be decided if the charity/non-profit's existing CEO would be managing the social enterprise or a business manager would be hired specifically for the enterprise. The decision will depend on the expertise of the current CEO, CEO's work load, level of finance available to the charity/non-profit and the developmental phase of the social enterprise.

Board Oversight: As result of its fiduciary responsibility, the board should exercise oversight over the operation of the social enterprise. The entire board or a separate subcommittee could be created to directly perform this oversight function. Depending on the organizational structure, the business manager should report to the CEO but also be in close communication with the board.

Benchmarking: This entails evaluating performance (social impact, financial performance etc.) with reference to another successful social enterprise in the same or similar business space.

Viability Target: This builds on benchmarking and requires specifying a specific financial target for profitability. It could be as much as 30% to just above break-even.

Exit Planning: This is a crucial aspect of risk management for the involvement of charities/non-profits in social enterprise. The board needs to have a strategy for exiting a failing social enterprise else it would be considered irresponsible if it kept investing the community's funds into a business that is making losses and depreciating in the measure of social value it creates.

Lisa Easterly and Paul Miesing¹⁰, in their revealing research establish the following key points on management of social enterprise with reference to table 2 (next page):

- NGOs (*charities/non-profits*) that had at least one board member from the business community (*working in conjunction with the agency director to oversee the financial viability of the business*) did better financially and incurred less debt than those without such oversight.
- Organizations that operated financially sufficient social ventures had board members skilled in business management who were committed to overseeing the business. They maintained responsible accounting systems so the board could protect the agency by scrutinizing the financial activity of the venture and the business manager.
- Most ventures with board oversight of the venture's financial performance and the business manager's decision-making either generated a profit or broke even, whereas those without such oversight lost money.

- Table 2 shows that all agencies that operated financially profitable ventures and most agencies that operated ventures that broke even set clear financial performance standards and had an exit plan with clearly specified criteria for when to terminate the business if it failed to meet predefined financial targets in a specified period of time.

TABLE 2
Social Venture Performance by Research Results Category

Social Venture	Profit Status	Viability Target	Board Oversight	Manager Overseen	Exit Plan	Benchmark Met	Continued Operation
Reliable Bottle Recycling ^a	Profit	30% margin	Yes	Yes	Yes	Yes	No
Mr. Clean Janitorial	Profit	30% margin	Yes	Yes	Yes	Yes	Yes
Sparkle Janitorial	Profit	Break even	Yes	Yes	Yes	Yes	Yes
Brooms Janitorial	Break even	Break even	Yes	Yes	No	Yes	Yes
Clean-Rite Janitorial	Break even	Break even	Yes	Yes	Yes	Yes	Yes
Daily Deli	Break even	Break even	Yes	Yes	No	Yes	Yes
Convenient Vending	Break even	Break even	Yes	Yes	Yes	Yes	Yes
Everlasting Silk Floral	Break even	Break even	Yes	Yes	Yes	Yes	Yes
Quick Photo-copy	Break even	Break even	Yes	Yes	Yes	Yes	Yes
Art Creations	Break even	Break even	Yes	Yes	Yes	Yes	Yes
Blooms Fresh Floral ^b	Loss	None	Yes	No	No	No	Yes
Laser-net Toner Recycle	Loss	None	No	No	No	No	Yes
Pure Water Bottling	Loss	None	No	No	No	No	No
Zesty Spice	Loss	None	No	No	No	No	No
White Paper Recycling	Loss	None	No	No	No	No	No

3.4 LEVERAGING EXISTING FIXED AND KNOWLEDGE ASSETS

The key assets (fixed and knowledge) that Bissell Centre could leverage for social enterprising are:

- A fully equipped kitchen (*fixed asset*)
- Accredited day care facility (*fixed asset*)
- The moonlight bay camp (*fixed asset*)
- The thrift shoppe (*fixed asset*)
- Rich experience in employment services (*knowledge asset*)
- Valuable experience in early childhood development program (*knowledge asset*)

NOTE: Ideas on how to exploits some of these assets are discussed in section 3.7 (Social enterprise ideas)

3.5 DOUBLE BOTTOM-LINE: Reporting Social Impact and Financial Performance

In embarking on social enterprising, the board of Bissell Centre needs to think ahead into the important issue of accountability. Unlike in traditional businesses where accounts and financial reports focus on evaluating financial performance, in a social enterprise a double-bottom line approach to reporting needs to be adopted. The prime driver for a charity's involvement in social enterprising is to employ a new self-sustaining framework for creating social impact in line with its vision and mission. At the end of an operating period, such a charity needs to give reliable feedback to its stakeholders (particularly its sponsors) on how it has been able to create social impact through its social enterprise. This calls for the use of tools and techniques for reporting social outcomes alongside financial performance.

One of such innovative tools is the Social Return on Investment (SROI) created by the Roberts Enterprise Development Fund (REDF) in the United States. As a tool, it is analogous to the Cost Benefit Analysis (CBA) tool used in traditional investment evaluation but goes further to include the evaluation of intangible financial cost and benefits and then assign a financial value to it. At its core is the engagement of an organization's stakeholders (clients, internal organization, patrons, sponsors etc.) to identify and measure the value of intangible social outcomes that have been created.

Further information on the SROI reporting tool can be obtained from the web links below:

<http://www.redf.org/learn-from-redf/publications/119>

<http://www.enterprisingnonprofits.ca/resources/ambitions-and-challenges-sroi-uk>

3.6 COMMUNITY CITIZENSHIP BEHAVIOUR

Lisa Easterly and Paul Miesing in their work on NGOs, Social Venturing, and Community Citizenship Behavior describe a concept called "*Community Citizenship Behavior*". This is a discretionary conduct in that it is neither mandated nor required yet promotes effective functioning of society. Because NGOs are supported by their community, they rely heavily on public trust for their viability. They are expected to adhere to high ethical standards and avoid any appearance of impropriety. Because they largely depend on volunteers and taxpayer and donated funds, they must be careful not to engage in any behavior or relationships that conflict with their mission and cause them to lose credibility in the eyes of their stakeholders.

In undertaking any social enterprise, Bissell Centre needs to give care to showing good Community Citizenship Behavior. It can achieve this through initiatives listed below in four different categories (Financial Accountability, Legal Compliance, Ethics and Morals, and Philanthropy).

Financial Accountability

Expectation

- Deliver the services for which you are funded.
- Do not divert taxpayer dollars to subsidize the social venture.
- Exercise leadership and oversight of the business financial operations and the social venture.
- Maintain financial controls — don't continually invest money in failing social ventures.

Management Intervention

- Maintain financial responsibility by at least breaking even.
- Establish a board and directors with business skills to maintain financial oversight.
- Maintain transparent accounting systems to inform board oversight.
- Maintain performance standards by benchmarking the social venture against similar programs.
- Set clear financial performance targets and engage in exit planning when targets aren't met.

Legal Compliance

Expectation

- Be aware of the laws governing the chosen business and the costs associated with adhering to those laws.
- Choose a social venture in line with the NGO's mission.

Management Intervention

- Operate social venture in line with the legally mandated social mission and laws governing the social venture—don't start ventures with NGO funds that aren't related to the nonprofit mission.

Ethics and Morals

Expectation

- Go beyond the law—adhere to higher ethical standards.
- Filing bankruptcy can damage NGO community relations.
- Benefit the community as a whole.
- Choose networks that are socially responsible.
- Avoid undercutting for-profit businesses in the community or competing on the social purpose of the business.

Management Intervention

- Avoid filing bankruptcy on social venture.
- Choose socially responsible business relationships.

- Do not use the tax-exempt status of the NGO as a competitive edge for low cost - compete on quality or convenience.

Philanthropy

Expectation

- Create jobs in the community.
- Establish performance standards to ensure that the social venture meets the organization's mission.

Management Intervention

- Go beyond NGO mission to provide value-added service in community that funds the NGO.
- Use performance standards to demonstrate that the social venture is achieving philanthropic goals beyond those of the NGO.

NOTE: In the preceding section, the acronym NGO is used interchangeably with Charity/Non-profit

3.7 SOCIAL ENTERPRISE IDEA

The idea proposed in this section is a high level presentation of opportunities Bissell Centre can exploit in starting a social enterprise that creates shared value (social and economic). To act on any of these ideas, it is recommended that Bissell Centre conducts a market research, feasibility study and prepares a business plan.

Basic Idea Screening Criteria

- Idea should leverage Bissell's existing fixed and knowledge assets
- Idea should create significant social outcomes that contribute to achievement of Bissell's vision and mission
- Idea should focus on moving poor people from poverty to economic self-sufficiency
- Idea should result in a business model that is scalable in terms of potential to generate revenue (*high levels of adoption by clients and large market size*)

ALTERNATE STAFFING SOLUTION

Description:

Alternative staffing organizations (ASOs) place and support job-ready, disadvantaged workers in competitive temporary and temp-to-hire jobs to help them enter and succeed in the mainstream labor market. By combining the worker focus and employment support services of a job developer with the market orientation of a conventional staffing firm, alternative staffing is an effective strategy to help individuals with barriers to employment achieve their job goals,

while satisfying employer needs and generating fee income that leverages charitable support. EMBERS Staffing Solutions is an example of an ASO.

Bissell already runs an effective employment services program that has recorded notable results in casual labour placements and skill enhancements training. The Alternate Staffing Solution will come as an upgraded and scaled up version of the present employment services which results in a business model that can generate income and create more significant social impact. An aspect of this upgrade will be provision of supervised work crews.

Social Impacts

This business model should produce social outcomes through:

- Transitioning disadvantaged people (low skilled persons, persons from correctional facilities) through temporary employment to permanent employment.
- Supporting people through work through a job coaching/skill acquisition internship strategy, which entails having a three tier partnership between Bissell, its client and assigned worker. This partnership will enable effective evaluation and ensure success of the worker on the job.
- It can be proposed to some employers of low skilled labour (*construction, manufacturing, property maintenance, industrial and warehousing companies*) to partner with Bissell for sourcing their labour. As an expression of social responsiveness, some organizations may be willing to give preference or a small quota of its labour needs to Bissell since they know that Bissell runs a non-profit staffing agency aimed at transitioning people from poverty to economic self-sufficiency.

Core Services:

- Staffing Solutions in the following job areas
 - ✓ Property maintenance
 - Landscaping
 - Grounds keeping
 - Janitorial
 - Mowing/environmental care
 - ✓ Warehouse/Industrial
 - Loaders
 - Shipper/receiver
 - Waste management
 - ✓ Construction
 - Swamping (labourers and material handling)
 - Dry walling
 - ✓ Grocery/Food Services
 - Stocking merchandise

Possible Spin-Offs:

Apart from short term staffing solutions, the social enterprise can start up dedicated service groups that provide janitorial and other low skilled services to companies and events.

- Contracted janitorial services for festivals and other public events
- Grounds keeping, janitorial services and pest control for property owners

In-Corporated Social Programs

The existing employment services (*Skill enhancement, Moving Up, Strengthening our Spirit, Women pre-employment program*) can be optimized to support workers more closely and for a longer term.

Structured Partnerships

Rather than engage potential clients (employers) on a casual and transactional basis a more structured long-term relationship should be sought with Bissell presenting the following as selling points:

- Pay above market wages to temporary workers i.e. reduce profit margin (*This is a key strategy used by EMBERS to demonstrate itself as a socially responsible business that is not primarily after profit*)
- Seek for avenues to connect the social face of the enterprise with the CSR initiative of firms

ENDNOTE

- [1] ¹Enterprising Non-Profits (2008) *The Canadian Social Enterprise Guide*, 2 ed. Vancouver, BC: E-Book. Chapter 1 (p. 6)
- [2] ²Dees, Gregory (2001) *The Meaning of “Social Entrepreneurship”*, <http://www.caseatduke.org/documents/dees_sedef.pdf>, (p. 4), accessed December 8, 2011
- [3] ³Capacity Waterloo Region (2010) *For-Profit Social Ventures in Waterloo Region: An Exploratory Study*. (p. 2)
- [4] ⁴*Ibid.* 1, p. 7
- [5] ⁵*Ibid.* 3
- [6] ⁶<http://embersvancouver.vcn.bc.ca/about_page>, accessed March 28, 2012
- [7] ⁷Marcia Nozick (CEO of EMBERS), *Interview with Alternative Staffing Alliance*, Vancouver, BC. <<http://www.altstaffing.org/featured-member.html>>, accessed March 28, 2012
- [8] ⁸Harrison, Julian (2012), *An Evening with the Social Enterprise Dragons*. See Change Magazine, <<http://seechangemagazine.com/the-blog/322-an-evening-with-the-social-enterprise-dragons>>, accessed March 28, 2012
- [9] ⁹<www.csef.ca/AlbertaSocialEnterpriseFundInfoDocu.pdf>, accessed March 15, 2012
- [10] ¹⁰Easterly, Lisa and Miesing, Paul (2008) *NGOs, Social Venturing, and Community Citizenship Behavior*. Business and Society 48 (538)

APPENDIX A

THE SPECTRUM OF SOURCES OF FUNDS AND FINANCIER INTERESTS ⁷

Financier Interest	Interest in Social Impact ←————→ Interest in Profit						
	EQUITY		DEBT and/or EQUITY			DEBT	
Debt/Equity	Traditional Philanthropy	Venture Philanthropy	Community Debt Financing	Community Development Equity/Venture Capital	Angel Investors and Social Venture Capital	Socially Responsible Investment	Traditional Capital
Sources of Funds	<ul style="list-style-type: none"> • Vancouver Foundation • Tides Canada • Gov't Grants • Donations 	<ul style="list-style-type: none"> • BC Technology Social Venture Partners (BCTSVF) • INP 	<ul style="list-style-type: none"> • Community Futures Development Corporations • Vancity Comm. Foundation 	<ul style="list-style-type: none"> • EcoTrust • Renewal Partners • Vancity Capital Corporation 	<ul style="list-style-type: none"> • Social Capital Partners • Individual Philanthropists 	<ul style="list-style-type: none"> • Vancity Savings Credit Union • "Shared Growth" Deposits 	<ul style="list-style-type: none"> • Banks & Credit Unions • Finance Co's • Credit Cards
Examples	<ul style="list-style-type: none"> • FOD Grants • CEDTAP Grants 	Financial support along with technical help	Program Related Investment loans to charities	Investment shares in co-operatives	Forgivable loans or grant/loan combos	Community Loan Funds	Vehicle loan or secured mortgage
Characteristics	Grants seek to maximize social impact	Grants seen as a form of social investment	Higher risk or lower cost loans made for economic development and social impact	Investors may make money from interest but may never recover principal	Unsecured investments for seed funding/start ups	Secured loans for social impact.	Conventional offerings term loans, lines of credit etc.
Measurement of Social Impact	Evaluative methods e.g. Program Logic Models	<ul style="list-style-type: none"> • Balanced Score Card • Social or environmental audit 	Assessed when loan given, then often assumed	Qualitative or anecdotal social impact assessment	Qualitative or anecdotal social impact assessment	Social audits, negative screens and "shareholder advocacy"	None
Measurement of Financial Success	None	None	Modest financial return on investment	Investment shares in co-operatives	Pursuit of "profit with principles" & philanthropic objectives	Market return on investment or slightly below	Seek to maximize financial return

APPENDIX B

THE SOURCES OF FUNDS & STAGE OF BUSINESS DEVELOPMENT (Details in Resources Beginning on Page 50)

Business Development Stage	Sources of Grants and Technical Assistance	Sources of Equity Financing	Sources of Debt Financing
Building Organizational Capacity	<ul style="list-style-type: none"> • Centre for Sustainability - POD Grants • Coast Capital Savings Community Fund – Grants • Coast Capital Savings Foundation (youth) • Endswell Foundation • Tides Foundation • Vancity Savings Credit Union – Grants • Vancity Community Foundation – grants • Vancouver Foundation 		
Business Plan Development	<ul style="list-style-type: none"> • BCTSVP • CEDTAP grants • Coast Capital Savings CED Department • Enterprising Non-profits Program • Vancity Community Foundation – grants 		
Start Up	<ul style="list-style-type: none"> • BCT SVP 	<ul style="list-style-type: none"> • Renewal Partners • Social Venture Partners • New Social Venture Fund 	<ul style="list-style-type: none"> • CCEC • Community Futures Development Corporations • Coast Capital Savings Rising Tide 2 Fund • EcoTrust • Vancity Savings Credit Union • Vancity Community Foundation – loans
Operating		<ul style="list-style-type: none"> • Renewal Partners • Social Venture Partners • New Social Venture Fund 	<ul style="list-style-type: none"> • Vancity Capital Corporation • EcoTrust