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| Title | **Back to business?** |
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| Date | **May 2010** |
| Keywords | How can social enterprises and their customers adapt to the opportunities arising from any change of values and expectations in the current business environment? |

**Social Enterprise East of England**

A market scanning exercise, commissioned by SEEE.

# An overview

In pursuing this enquiry, we and our respondents have reflected increasingly on the strategic and practical assumptions that underpin Social Enterprise (SE) as a 'sector.' We have struggled to make generalisations on behalf of the sector – especially in the context of a sectoral, or generic marketing positioning which could promote business on behalf of individual socially driven businesses. The paper that follows presents a fairly detailed discussion of the issues that arise from the impulse to find a way to promote social enterprises **as a sector.** We thought it might be useful to contextualise the discussion by identifying some **issues in tension**, which policymakers, funders, contractors, practitioners, clients and service users might usefully understand, if the apparent opportunities presented at this time are to be fulfilled by social enterprises.

| Generic Value Propositions | Individual business propositions |
|---|---|
| Shared motivation of SE practioners | Varied needs and drivers of individual contractors and customers |
| Desire of practitioners for a "collective home"/brand | Irrelevance of a collective identity to customers in different markets |
| Definitional nuances important to SEs (e.g. vis-a-vis charities) | 'Third Sector' perceived as single, blurred identity from outside |
| Social Purpose as motivating impulse | Social Enterprise as an organisational form |
| Policy Commitments to an enhanced role for SEs | No sign of policymakers understanding/ alleviating practical constraints |
| Emerging role for representative body | Competive business plans for individual businesses |
| Collective/generic approach to Evaluation/Metrics | Unique context and quality of 'impact' |

We believe that it is legitimate to think of Social Enterprise as a sector from the perspectives of policymakers (for whom the generalisation is attractive), and of practitioners, who gain a sense of critical mass and coherence from being part of a larger identity. However it may not be helpful to expect customers or users to understand or value this collective identity, unless there is a **massive political and commercial commitment** to promoting the ideal of **Social Purpose as a compelling, alternative motivating impulse** to set alongside, and compete with the established positions of the Private and the Public sectors.

## Research process and assumptions

Interviews and discussions with contributors were spread over a three-month period. Early responses to the initial propositions suggested that some of the terms and concepts used in relation to socially enterprising activity are not, particularly, commonly understood. These early responses suggested a focus around expressions of **values-based marketing** that then became the basis for further enquiries.

The observations contained here reflect the confusion that exists around some of the concepts used, and the implications of this in terms of the effective marketing and promotion of social enterprise(s).

Initial responses to our enquiries led to a discussion of the **generic, or sectoral value propositions available for Social Enterprises**. Dialogue with practitioners in and around the Social Enterprise sector has suggested a number of alternative value propositions which could be mobilised to promote businesses within it. These are described here as 'generic, or sectoral' to distinguish them from the specific business focus of individual social enterprises (e.g. housing; recycling; social care, etc.)

They are attempts to answer the question:

## Why should I do business with a social enterprise as opposed to a 'conventional,' for-profit business?

### Values-based Marketing

We will outline propositions (suggested to us by respondents) with potential traction, in order to stimulate further evaluation of their **salience, credibility and persuasiveness**.

# Commitment

The proposition here is that social enterprises will be good business partners because of the commitment, integrity and motivation of the people. There is an implicit (or perhaps explicit) assumption here that people working in a values-based business will somehow operate at a different level of intensity or determination or creativity. Thus commitment translates into 'added value'.

# Virtue by association

The proposition here is that working with (i.e. buying from, or selling to) a Social Enterprise confers some 'rubbed off' benefit, based again on an assumption of the intrinsic characteristics (e.g. of integrity, or community/social benefit) ascribed – by some people – to social enterprises.

# Corporate Social Responsibility (CSR)

This is a specific virtue that may rub off on a business. Obviously the business needs to have its own commitment to CSR for this proposition to have any traction, and its stakeholders need to understand, and value in their turn, the qualities ascribed to social enterprises. It was suggested, for example that an apparent 'hunger to be involved with community-based projects' might coexist with, or even somehow

compensate for less admirable motivations; or, as one respondent suggested, 'help justify their greed'(!).

## Investing in Social Capital

This is an even more specific virtue, which may be understood/valued by a limited number of businesses. The issue of investing in Social Capital does also have some political appeal, nationally and locally, and might form the basis of a strategic/trading alliance between a business, or a public service procurer, and a Social Enterprise. (Social Capital is understood here to mean an enabling process which leads to greater control and autonomy, at the level of the individual and the community.)

## Community identity and credentials

Social enterprises working within communities, and with specific hard-to-reach client groups may offer business partners access to important potential markets. So a Social Enterprise partner may be in a position to help achieve sales and/or impact targets on behalf of businesses and other service providers. There is thus a practical, or logistical proposition as well as the more reputational aspects of a community base.

## Cost

There is quite a widespread perception that social enterprises can deliver services at lower cost. This is principally related to the absence of a need to

generate profit for shareholders. It is also associated in some contexts with a smaller, or more local operational base, leading to lower overheads. These lower costs can be passed on to customers/clients in lower prices. There is also a link to the commitment/values proposition. Social enterprise people are not motivated by profit, so they will not always be determined to squeeze out the highest margin/price.

## Quality

There appears to be a readiness – perhaps more evident among policymakers than business leaders at this time – to believe that social enterprises are strongly associated with high quality delivery of services. This seems to be supported by a number of related characteristics which are perceived as desirable. These are: locality, or local-ness; community links and roots; flexibility (often a factor of localness and size); responsiveness (e.g. to local, community need); creativity and innovation – again related to size, independence, and the absence of bureaucratic constraints. These factors are underpinned by a perception of the energy and motivation of the people involved.

## Value (as distinct from Values)

Any combination of the above might be translated into a perception of good value. Classically, good value would be associated with (relatively) high quality and low cost.

## The Time is Right

This proposition reflects the recent economic crisis, and a possible undermining of the unbridled dominance of free-market philosophies and practices. Academics and commentators have energetically coalesced around 'a re-emphasis on values and ethics... not as an after-thought but as a first thought at the core of... business operations' as Rosabeth Moss Kanter observed in the Harvard Business Review last March. This conviction was reflected by Heidi Neck, at Babson College: "today's entrepreneurs – all entrepreneurs – must build and grow mission-based businesses for a better world."

## Why should I do business with a social enterprise as opposed to a for-profit business?

Management guru Gary Hamel ran a workshop for business leaders and academics to draw up a blueprint of management priorities in the 21st Century. Four of these are:

1. Ensure management's work serves a higher purpose. Management, both in theory and practice, must orientate itself to the achievement of noble, socially significant goals

2. Fully embed the ideas of community and citizenship in management systems. There's a need for processes that reflect the interdependence of all stakeholder groups

3. Reconstruct management's philosophical foundations. To build organisations that are more than merely efficient, we will need to draw lessons from such fields as biology and theology

4. Humanise the language and practice of business. Tomorrow's management systems must give as much credence to such timeless human ideals as beauty, justice, and community as they do to the traditional goals of efficiency, advantage and profit. [Harvard Business Review, Feb-March 2009.]

In one week last March, the Financial Times ran pieces with these headlines:

- Let fairness triumph over corporate profit

- A need to re-connect

- Now is the time for less selfish capitalism

- The future of human beings is what matters.

Ministers say things like "Social enterprise is an idea whose time has come" (Byrne, 2009). One respondent had observed an emotional response to the recession, engendering what she described as an attraction to 'pre-war values' including 'caring' and 'sustainability'.

**All these potential competitive positionings for social enterprises have been suggested to us by respondents in our research, from within and outside the 'sector.' We have subjected them to further discussion (e.g. at the SEEE Winter School), and our own analysis.**

**Next...Evaluating the Values proposition.**

1.      Is it fair to say that social enterprises believe they will be good business partners because they are committed, motivated and have integrity?

Managers in social enterprises are inclined to believe that they (and their colleagues?) possess these qualities. It appears that policymakers are disposed to believe that social enterprises operate at a special level of integrity and social connectedness. But few practitioners are comfortable claiming that these qualities are unique to – or even more prevalent in – social enterprises vis-à-vis other organisational types. It seems likely that these characteristics will be evident in successful organisations of any size or sector.

2.      Is it fair to say that a values-based business will somehow operate at a different level of intensity, determination or creativity?

Again, this seems not to hold up. Intensity, determination and creativity will be found in many small and new companies, and in highly competitive corporate/ financial contexts; and in many publicly or statutorily funded settings (health, education, the arts, research, etc.)

3.      Does this values-based proposition contribute a legitimate added value to a service or product?

It may be possible for individual businesses to claim, and evidence these virtues - commitment, integrity, etc; and people in social enterprises, and perhaps their stakeholders and funders may feel good about this. (Policymakers seem to want to believe that social enterprises do operate at some different level of effectiveness, but this may be linked to ideological suspicion of the private sector, and of the public sector, depending on political perspective.) But it is difficult to see how this proposition can be made distinctive, consistent and credible for 'the sector'.

4.      Is the values-based proposition duly recognised?

We and many of our respondents feel that these virtues may not be understood or appreciated as much as they could be. This is a manifestation of the vagueness around the identity of 'the sector'. This lack of understanding and valuing provides the impulse behind the quest for a sectoral Mark –a branding device that could create visibility, coherence and value for social enterprises. The Mark seeks to generate recognition of the virtues, or self-image of businesses run on the social enterprise model.

However, some respondents are concerned that the qualification process is not rigorous enough to be a minimum quality measure (a standard); and others believe that some social enterprises may effectively be 'disqualified' if they cannot meet operational criteria, particularly in a volatile economic climate. For instance the proportion of trading activity for social enterprises may vary from one financial year to another. (Indeed the fact that the business selected as the Social Enterprise of the Year in 2009 - One Water - does not, as things stand, qualify for the Mark may encourage us to question how fit-for-purpose the current criteria are!).

5.      Does trading with a social enterprise suggest some virtue by association?

This is tenuous, though we did find respondents – and not just social enterprises – who were prepared to subscribe to this position. The difficulty is to generalise. These associations

Next...more evaluation questions.

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*6. Can an appeal to Corporate Social Responsibility (CSR) be made on behalf of all social enterprises?*

Yet again, the difficulty is in the generalisation. There is some evidence (in the press and in academia, as noted above) that a shift towards a more socially conscious, values-oriented era may have been brought about by the global recession. But our respondents could not claim much evidence of any beneficial effects for their businesses in a trading environment which is still dominated by factors recognisable as market forces – availability; price; established relationships and mutual advantage.

For some respondents, trading with large(ish) private sector companies was more appealing to private companies as the decision could be justified as purely financial. (Such companies might be engaging in CSR, it seemed very difficult to tell. For all sorts of reasons the claim of trading with Social Enterprise is a more attractive and commercially interactive idea than being 'given to' for many social enterprises.) Often the service was bought at a keener price than a traditional alternative – say waste building material collection from sites needs to be cheaper than skips and landfill - because there is added work in negotiation with the social enterprise. This situation we found did pose a problem to social enterprises that struggled to compete at a profitable critical mass, in order to turn a small margin into a real profit, and maintain social objectives

*7. Is the concept of investing in Social Capital a deciding factor in:*

- trading between social enterprises?

- trading between social enterprises and the commercial sector?

- trading between social enterprises and the public sector?

There is a limited, and not unanimous understanding of this concept. Where it seems to have some leverage is with policymakers, who are prepared to attribute to social enterprises a role in promoting Social Capital. There is an opportunity for some social enterprises to capitalise on this, in their dealings with e.g. prime contractors in statutorily funded markets, and with funders themselves. But social enterprises possibly need a more reliable and accessible model for showing how they contribute in this way (i.e. a common approach to Evaluation, or 'metrics' perhaps).

*8. Can social enterprises use their community links to establish a point of competitive advantage?*

This proposition does provide a credible advantage for individual social businesses in some markets and locations. It is politically attractive (as in the 'Big Society') to have demonstrable community access and support. This is likely in reality to mean a community-based enterprise can deliver services and products which respond to the known needs of a particular community. The competitive advantage may be a product of detailed market intelligence, direct access to a known community of service users, and specialist service delivery which is uniquely tailored to meet the known local need. (Community here could refer to a user group with shared characteristics, as well as a tight geographical location.)

*9. Is the claim that social enterprises should deliver services/products at lower cost real and legitimate?*

Social Enterprise managers resist this proposition strongly (and rightly). While there are some circumstances where the overheads of a smaller local service provider may reduce the cost base (e.g. vis-à-vis a local authority), social enterprises may have correspondingly higher costs – e.g. in delivering effective services to hard to reach/recruit community sectors. The specialist knowledge and access supplied by community-based providers, and the requirement to be self-sustaining and, often, 'innovative' may in fact suggest that social enterprises need to charge

more for services than statutory providers or even commercial competitors. The need to build in a margin for sustainable business development, as well as the actual cost of supplying a quality service, mean that a competitive positioning based **only** on low price is undesirable and dangerous for social enterprises.

*10. Is it reasonable/ legitimate to make an assumption of (superior) quality in the context of services delivered by social enterprises?*

There is no more credibility in this proposition than there would be if it were claimed either by the Private sector or the Public sector. Quality can only be judged in the context of individual providers and specific service and product expectations.

*11. Is the perception of good value (as distinct from 'values') (i.e. high quality at low cost) relevant and legitimate for social enterprises?*

It becomes repetitive to discount all these sectoral claims on the grounds that generalisation is unrealistic. In many contexts social enterprises may be able to claim superior value, where adequate evaluation is in place. The complexity and variety of services, and the elusiveness of valuable 'impacts' make this claim difficult to evidence. But social enterprises know that they need to prioritise the collection and dissemination of this kind of evidence, to satisfy existing contractors, and to support new business activities.

However, comparative data on quality and cost is often difficult to find: this may need to be done in partnership with contractors.

*12. Is the 'time right' for more ethically based business approaches and methods?*

Some evidence from academia and the media would suggest that the climate is becoming more supportive to a more socially responsible way of working. None of the small group of respondents we spoke to reflected this as a factor affecting current or predicted business. If it is true that policymakers, funders and contractors are seriously committed to a more ethical way of working, they also seem to be constrained by habit and the downward pressure on costs, so that change is hard to discern.

*13. When government ministers say things like "Social enterprise is an idea whose time has come" (Byrne, 2009)*

are you concerned for the long-term viability of the model?

This may be overly cynical.

However we do observe a disconnect between the professed embracing of the Social Enterprise model by policymakers, and any practical idea about how this might be translated into real business growth for small, community-based service providers. A typical example of this lack of connection can be seen within the Conservatives' 'Big Society,' which might be expected to throw up opportunities for social enterprises. However, this 'concept' seems to be so lacking in clarity or practicality that even its most articulate proponent (Michael Gove – the new Education minister) cannot explain quite what it would do or how it would work.

**The time may be right in terms of political willingness, but it looks as though it will be up to social enterprises themselves to work out how this can happen in practice.**

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# Emerging research directions

In discussions with key influencers of Social Enterprise development in the region we discovered that this range of respondents could not articulate a shared, positive 'take' on a generic, or umbrella marketing strategy for Social Enterprise.

It seemed to be recognised that social enterprises need to adopt individual marketing strategies (to maximise the competitive advantage of their business in their market) whilst the sector profile might be promoted for the good of all. This position would recognise the legitimacy of contested opinions without necessarily indentifying these as irresolvable problems, thereby offering further opportunity for peer learning and the development of a purpose-driven, bottom up strategy to be developed should it be needed.

## A model for collective action

Government contractors, and large businesses that might wish to contract with social enterprises to meet public sector procurement outcomes, are very drawn to **simple, collective identities and shared performance indicators**. These expectations do certainly pose a challenge to social enterprises and the sector identity that might represent them. Just such a challenge was set out by Rob Murdoch from A4E, when he was invited to speak at the SEEE Winter School in March 2010, where he argued that the model of the Employment Related Services Association (ERSA, which is a membership association representing independent providers of publicly funded employment programmes), represented an initiative to bring **coherence, consistency and clout** to a specific market sector.

Historically "forces" – responsibilities, liabilities, and perceptions – have "conspired" leading to a welfare state approach to the exclusion of other opportunities in life. There is now a need to "re-balance", a need to shift from a service to a needs-based approach, a need to recognise the "value of social capital".

The ERSA initiative has developed out of a recognition that service providers/managers need to make it easy and attractive for the big funders to contract with them. ERSA has committed to certain steps in order to help this happen:

- Create a 'trade association' with a commitment to common standards, expressed in a code of conduct, and market intelligence.

- Agree a framework for partnership, including respect, fair contracting, openness and transparency, a complaints procedure, a customer charter, working together for consensus, and a commitment to professionalism, and the integrity of each organisation

- Recognise the need for a common 'metric,' or standard for monitoring (social) impact. A comparable system for 'measuring' service delivery is highly attractive to commissioners. It was recognised that ERSA members have had to be prepared to be flexible, and sacrifice some local priorities in order to arrive at a common metric – even though they are delivering comparable services

- Develop an 'appetite for Prime Contractor/Integrator models.' This enables funders to commission service delivery through a manageable number of large/prime contracts. Prime contractors then are responsible for managing local/specialist service delivery through multiple sub-contractors

- Identify the challenges associated with sustainability and growth in dramatically straightened economic circumstances, particularly identifying the issues of speed, scale, governance, risk, appetite for change, brand identity and ethics.

This strategy adopted by ERSA

to address the opportunity presented by significant public sector contracting does suggest a daunting challenge for social enterprises hoping to get a share of large, but reduced government contracts. These issues may be less of a concern to social enterprises whose main business is retail trading, for instance. But the overall position is that there is a **strong political appetite to grow the Social Enterprise sector;** that there is a real growth opportunity; and that Private sector and Third sector organisations share the same challenges, which will only be overcome by **developing leadership models which facilitate dialogue and shared understandings and commitments.**

This is a persuasive analysis and one response could be to argue for a **far stronger representative role for SEEE** in taking the lead on the formation of something on the lines of ERSA: an aggregating, standard-setting and contracting body for the sector (or even create a new social enterprise to take on these roles). It may be, however, that businesses in 'the Social Enterprise sector' are so diverse that the ERSA model is not appropriate. In this case it would be worth considering how the ERSA model might be modified to support social enterprises in different service markets.

We observed earlier that ERSA came into being to bring the 'coherence, consistency, and clout' deemed necessary to exploit a huge market opportunity. Policymakers and sector leaders seem to wish for the same qualities to be manifested by the sector (if it can be called that) more widely. Evidence of this is the current RDA-funded Social Impact Measurement research project whose primary focus would appear to be "sourcing from the Third sector". A key strategic question may be to consider whether such a diverse range of businesses serving such different markets can achieve this.

Maybe, indeed, consistency and coherence of offer and service are neither desired nor realistic. Indeed, it may be important to protect the unique and idiosyncratic nature of many social enterprises because this specific (and often local) response to particular (and often local) needs is a key part of the quality of their relationship with their customers. If either is the case, it is important to consider how SEEE can best contribute to the promotion of Social Enterprise interest through a coherent and promotable identity.

**But the overall position is that there is a strong political appetite to grow the Social Enterprise sector; that there is a real growth opportunity...**
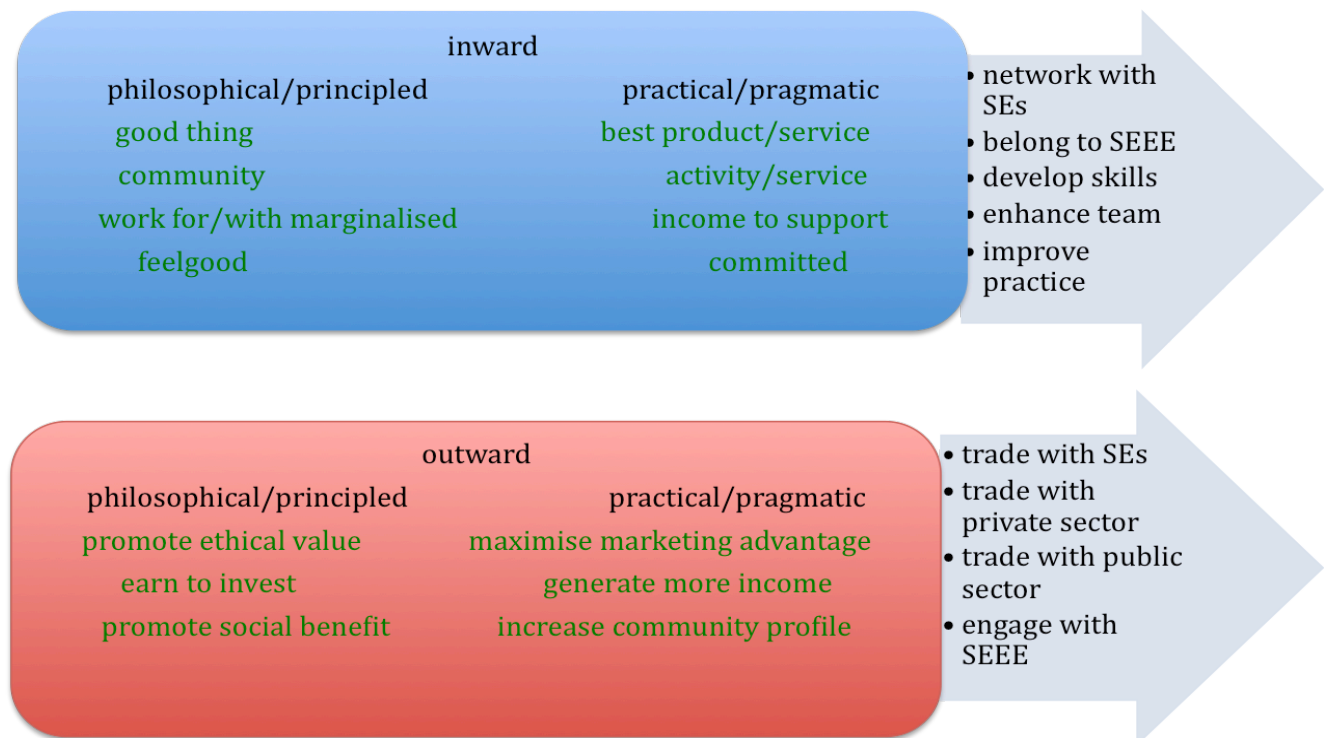
Both respondents and participants at the Winter School expressed reservations about the public awareness of Social Enterprise as a **significant trading identity** and questioned whether customers were either aware of, or influenced by the legal status, or the social/ethical motivation of individual enterprises.

There was also some discussion around the recently launched Social Enterprise Mark. It was mentioned that the Consumers' Association had researched the value/feasibility of a generic sectoral positioning, and recommended **against** trying to develop one. And yet, the Mark has been developed, at some cost (though possibly not enough, in our view, to make it visible, understandable or motivating to the general public). The Mark has some strong adherents both within and outside of Social Enterprise (particularly within government) and we believe that this adherence is more emotional than strategic.

However, this is not meant to be as dismissive as it sounds. Firstly, most of the best marketing manages to stimulate and/or reflect an emotional appeal. We also believe that the people most likely to be aware of, and motivated by the Mark are those already engaged with Social Enterprise. This too is a common reality. There is an honourable tradition of marketing campaigns that are mounted to generate self-confidence among staff, distributors, suppliers, members, and shareholders. So, we suggest, the Mark is there for those who feel good about it, and the more people who feel good about it, the more visible it will eventually become.
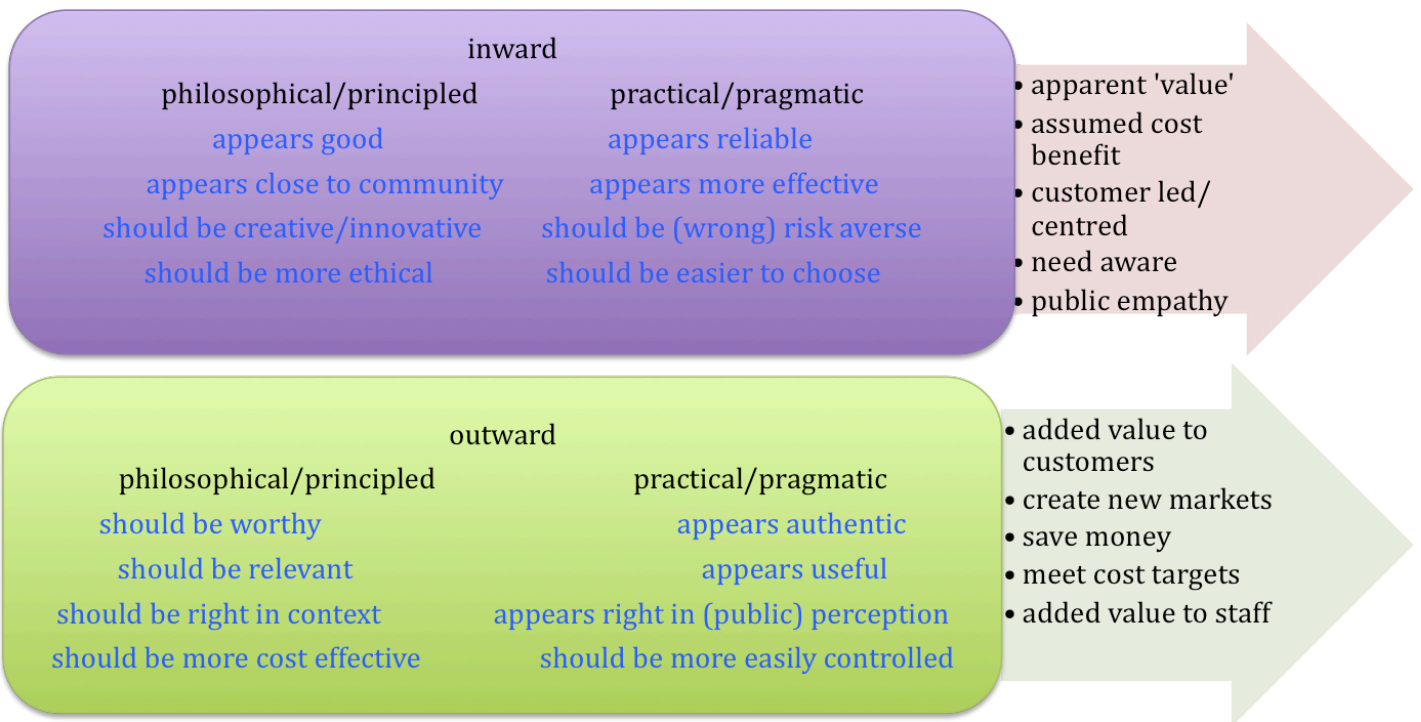
## Refining the value proposition

There is a significant 'devotion' to the concept of Social Enterprise (especially among practitioners and policymakers). This is found in an enthusiasm for the range of potential benefits the work of social enterprises can deliver. This devotion is experienced in philosophical and principled terms as well as in very practical and pragmatic ways. The panels below seek to illustrate the different perspectives: inward and outward; philosophical and practical.



inward

| philosophical/principled | practical/pragmatic |
|---|---|
| good thing | best product/service |
| community | activity/service |
| work for/with marginalised | income to support |
| feelgood | committed |

- network with SEs
- belong to SEEE
- develop skills
- enhance team
- improve practice

outward

| philosophical/principled | practical/pragmatic |
|---|---|
| promote ethical value | maximise marketing advantage |
| earn to invest | generate more income |
| promote social benefit | increase community profile |

- trade with SEs
- trade with private sector
- trade with public sector
- engage with SEEE

Outside the sector this devotion is interpreted in different ways dependent on:
a.        Government's interest in safer and more moral (morally defensible?) service delivery
b.        The interest of non-social enterprise business marketplace in the benefits accruing to a more ethical trading position, capturing an allegiance to anywhere from one to three of the triple bottom lines. Manifestations of this devotion might be set out as:

**inward**

| philosophical/principled | practical/pragmatic |
|---|---|
| appears good | appears reliable |
| appears close to community | appears more effective |
| should be creative/innovative | should be (wrong) risk averse |
| should be more ethical | should be easier to choose |

- apparent 'value'
- assumed cost benefit
- customer led/centred
- need aware
- public empathy

**outward**

| philosophical/principled | practical/pragmatic |
|---|---|
| should be worthy | appears authentic |
| should be relevant | appears useful |
| should be right in context | appears right in (public) perception |
| should be more cost effective | should be more easily controlled |

- added value to customers
- create new markets
- save money
- meet cost targets
- added value to staff

Social Enterprises are highly diverse. This is true of scale, marketplace, customer focus, location ambition and self-image.

It should not come as a surprise that we struggle to articulate a shared strategy to exploit such a highly fragmented set of market opportunities.

Individual businesses need to express their own competitive advantage, in their unique context, as powerfully as possible.

The 'purchasing decision' of a local authority, or a powerful prime contractor in the Welfare to Work market has little in common with that of a member of the general public looking for value in a recycled furniture outlet.

There is a shared DNA that links social enterprises, but it is not one that is primarily manifested in terms of customer benefit.

Still less is it really to do with legal status (in relation to the private and public sectors), or a positioning distinct from charities or the voluntary sector.

Social Enterprise denotes a shared motivation by its practitioners, rather than defining a shared benefit to its customers. It is perhaps a label like Jazz: a category that might include Acker Bilk and Thelonious Monk, without suggesting that their fans – and what they like about jazz - need to have anything in common.

Devotion to the concept of Social Enterprise is a commitment to providing services and products that deliver social, environmental and/or financial benefit to users and customers rather than owners and shareholders. Our efforts are focused on achieving the most positive environment for individual social enterprises. We would

## Scale

## Marketplace

## Customer

## Location

## Ambition

## Self image

suggest that the way individual social enterprises and support organisations approach this task, or mission must be legitimately different and will be idiosyncratic.

We would argue that Social Enterprise is as unhelpful as a marketing descriptor because it appears to refer to a common organisational model. This is unhelpful in two ways: one is that customers do not buy from an

'organisational model'. (Or if they do, as public sector contractors say, then it is their idea of the organisational model and not that of the social enterprise.) The other is that it is inaccurate – for the reasons of organisational plurality we have referred to.

So, on this analysis, as a marketing tool Social Enterprise is both irrelevant and misleading!

Our findings can best be encapsulated in terms of three questions, to which this research can offer provisional answers:

**Is there a competitive value proposition which can be attached with credibility to the great majority of social enterprises, and which participants will sign up to and deliver consistently?**

**Is the 'sector' so diverse in terms of size, service/market sector, location, method and outcomes that no meaningful umbrella proposition can be usefully articulated?**

**Is the best course of action for individual social enterprises to identify and deliver their own value proposition, based on their own purpose, strengths and market contexts?**

To which the answers drawn from our data are **No, Yes and Yes!**

# So what is the common DNA?

**The answer is Social Purpose.** And the role for those who take responsibility for promoting the profile and understanding of socially motivated businesses need to focus on creating awareness and understanding of how and why businesses motivated in this way deserve consideration as a practical, professional alternative to the dominant, but variously flawed models of the profit-driven private sector, and the statist and bureaucratic public sector. This is a huge (as in long term and expensive) communications task.

Any initiative or resource which can be mobilised at the sectoral level will not take away the responsibility for each socially motivated business to develop persuasive, competitive marketing proposition in its own market(s).

This has been a small scale project which has pointed our thinking in the direction outlined above. While we question the value of the 'sector' as a marketing descriptor, we acknowledge the utility of the sectoral badge - Social Enterprise – to policymakers, participants and commentators (participants understandably appreciate the sense of belonging to collective critical mass - a family, or a movement). Inevitably, there are questions for socially motivated businesses, and the organisations which support them, which we feel deserve more rigorous exploration. These are strategic questions. Generating robust answers would help policymakers to translate their rhetorical/theoretical enthusiasm for social enterprises into realistic market opportunities for these businesses. So an investment in answering these questions would have a payoff for policymakers,

businesses, and the communities they serve.

**Questions for the Social Enterprise infrastructure organisations are:**

1.      What role can support/ representative organisations play in promoting the business prospects of social enterprises?

2.      Can they promote the profile of the 'social purpose' movement in a way that provides generic business support?

3.      Should they be developing the 'integrator model' that would see them identifying and negotiating business opportunities on behalf of groups of members within market sectors (cf. ERSA)?

4.      Should they be developing and implementing shared approaches to impact evaluation/ metrics (cf. ERSA)?

If we can answer these questions we may be able to achieve a more confident environment for the trading of social enterprises and a bolder and more attractive premise for promoting a realistic, valuable and distinctive profile for the sector.

As a result we would need to change the basis of our dialogue within the sector, with social enterprises, with SEEE members and with those representatives of public and private organisations and institutions that represent both financial constraint and opportunity.

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