

se

social enterprise west midlands

SOCIAL PURPOSE | BUSINESS SENSE



# A VISION FOR SOCIAL ENTERPRISE

PROSPECTUS FOR THE WEST MIDLANDS LAUNCHED 06

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# Planning for the future



**As we start 2010 wondering whether or not we are coming out of recession, or heading for a 'double dip', it's heartening to learn that social enterprises have generally fared well.**

In this issue of **se** we feature the results of two significant pieces of research, which reveal just what is being achieved by the sector. And we take a look at the newly published Social Enterprise Prospectus for the West Midlands designed to guide the development of the sector over the next five years. Our aim with **se** is to offer useful information and practical advice. With that in mind, we have commissioned articles from experts as well as from social entrepreneurs themselves. As we plan ahead, we're keen to take your views into account, so please take a moment to complete our online survey.

Whatever aspect of social enterprise you're engaged in, we wish you a successful year ahead. **se**



## NEW CHIEF EXECUTIVE

Peter Holbrook takes over as new chief executive for Social Enterprise Coalition.



## THE TIME IS NOW

Kevin Maton on the new prospectus for social enterprise in the West Midlands.

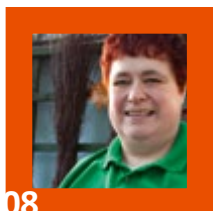


## ACHIEVING MORE TOGETHER

Mark Ellerby on the recently launched Social Enterprise Mentor.

## FINDINGS

**The state of social enterprise:** The findings of the first ever large scale survey of social enterprises in the UK are revealed.



## BUSINESS MATTERS

**Moving away from grant dependency:** Jean Jarvis on new project, Sustaining Rural Communities.



## SPECIAL FEATURE

**Creativity, innovation, leadership:** Hybrid Arts fills the gaps left by mainstream education with new approaches.



## DO IT RIGHT

**Working with consultants:** Sally Edwards looks at how to make consultancy work for your organisation.



## QUESTIONS ANSWERED

**Taking the lead:** Oliver Nyumbu of leadership and organisational change specialists, Caret.



## MARKET PLACE

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WEST MIDLANDS

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Social enterprises are businesses that trade for a social or environmental purpose. There are around 5,500 social enterprises in the West Midlands. Visit [www.socialenterprisewm.org.uk](http://www.socialenterprisewm.org.uk) for more information and central access to resources, intelligence, contacts and sources of social enterprise advice and support.

**Available in large print at [www.socialenterprisewm.org.uk](http://www.socialenterprisewm.org.uk)**

IN THE NEWS

POLICY MATTERS

FINDINGS

QUESTIONS ANSWERED

BUSINESS MATTERS

SPECIAL FEATURES

DO IT RIGHT

# Social Enterprise Mark

**A new Mark for Social Enterprise, aimed at helping buyers to recognise which businesses meet the key criteria for social enterprise was launched on 1 February at Voice10, the Social Enterprise Coalition's annual UK conference.**

From now on, businesses displaying the Social Enterprise Mark will be clearly identified as trading to benefit people and the planet.

To qualify to use the Mark social enterprises will have to undergo an assessment against a set of criteria. These have been drawn up by social enterprise leaders, who worked with the COI (Central Office of Information) and the Office of the Third Sector to develop the Social Enterprise Mark. The aim of the initiative is to raise awareness of social enterprise amongst as wide an audience as possible.

Speaking at the launch Angela Smith MP, Minister for the Third Sector, Cabinet Office said: "The Mark has the potential to be a real catalyst to put social enterprises at the heart of the UK economy and

society. I have seen some amazing and innovative examples of social enterprises; the more people that know about them and the more people that get involved in the sector, the better!"

The Mark is being administered by a joint venture set up by the Social Enterprise Coalition and RISE – the voice of social enterprise in South West England, which originally developed and piloted the initiative. Lucy Findlay, CEO of RISE, says: "Use of the Mark has the potential to revolutionise attitudes to consumerism."

Wide adoption of the Mark is backed by Social Enterprise West Midlands (SEWM). Kevin Maton, Network Director at SEWM, says: "We want to see hundreds of social enterprises applying for the Mark so that we truly move towards realising the vision we have for the sector in the West Midlands as set out in our prospectus, The Time is Now."

In fact, several West Midlands' based social enterprises have been amongst the first to be awarded use of the Social Enterprise Mark. South



**Vicki Fitzgerald**, Chief Executive, received the Social Enterprise Mark on behalf of Gateway Family Services CIC at a celebratory reception in Birmingham last November.

Photo: © Ian Githbert / info@cutbertdesign.com

Shropshire Furniture Scheme, PM Training, Gateway Family Services, ASAN, iSE, and Enta are all leading the way for others in the region to follow. **se**

## MAKING CONTACT

**Social Enterprise Mark |**  
[www.socialenterprisemark.org.uk](http://www.socialenterprisemark.org.uk)

# Future Jobs Fund: can you help?

**The Government Office for the West Midlands (GOWM) is seeking social enterprises in the region to take advantage of the Future Jobs Fund, which was announced by the Government in the 2009 Budget.**

The initiative is providing over £1bn to create 170,000 new jobs to help ease long term unemployment and proposals are particularly welcomed from social enterprises.

The benefit of participating from the employer's perspective is being able to employ an additional member of staff in a post that would not exist without the Fund. The benefits from the individual's perspective include gaining on the job training, experience and self confidence.

£6,500 is provided for each individual recruited through the Future Jobs programme. This covers training, development and administration costs as well as the individual's wage at the minimum level for their age.

Enterprises can pay the individual more if they wish, but this has to be met from their own resources.

To be considered for Future Jobs funding, you will need to submit a proposal that demonstrates:

- Extra jobs, lasting at least six months, will be created either for long term unemployed young people (aged between 16 and 24) or people in unemployment hotspots
- The work done will benefit local communities
- An understanding of the development and support needs of the client group
- How the work will improve long-term employability.

The recruits must have been receiving Job Seekers Allowance for six months and the jobs created must involve working for a minimum of 26 hours a week.

Jobs have already been created in a wide variety of sectors, from

sports coaching to street cleansing, town guiding to childcare, but more are needed. **se**

## Are you able to...

- Put together a proposal for a new job?
- Provide a placement within an existing scheme?
- Form a consortium with other social enterprises to develop a proposal around a theme – furniture recycling for example, or a client group such as people with addiction issues, or a geographic area?

If so, GOWM is keen to hear from you.

## MAKING CONTACT

**GOWM | 0121 352 5138**  
**Department for Work and Pensions |**  
[www.dwp.gov.uk/futurejobsfund](http://www.dwp.gov.uk/futurejobsfund)

# New Chief Executive for SEC



**Peter Holbrook has become chief executive officer of the Social Enterprise Coalition (SEC). He takes over from Jonathan Bland, who led the Coalition from its inception in 2003.**

Prior to taking on this role, Peter was CEO of one of the UK's most dynamic and successful social enterprises, Sunlight Development Trust, based in Gillingham, Kent. He developed Sunlight, which works to tackle long-standing health and social inequalities in the community, from a project to one of the country's most high profile 'community anchors'. In recognition of this achievement, in 2007, he was appointed one of the UK's Social Enterprise Ambassadors – a role which involves advocating for social enterprise through lobbying politicians, speaking at events and representing the sector in the media.

Speaking of his new role, Peter says: "I am really delighted, if a little daunted, to be leading the Social Enterprise Coalition through a time of change and opportunity for social enterprise. We are approaching the end of a long and painful recession and find ourselves in an election year; there is no time like the present for social enterprise to bring about the real and lasting change in society of which it is capable."

At SEC's annual conference, Voice10, held in Cardiff on 1 February, Peter told delegates: "I know a lot of you are waiting to see where I stand on all the issues and where I want to take the Coalition. If after only four weeks I had completed the Vision I wouldn't be worthy of the job, so please be patient. Listening and learning and meeting as many of you as is possible is going to be my first priority. It is by talking to our members and the wider sector that we will create an agenda that really represents our movement."

Peter Holbrook is scheduled to visit the region in April. "The West Midlands hosted Voice09 brilliantly and is doing some really interesting work through its Trading Know How project and The Time is Now prospectus, so

I look forward to getting back there very soon to find out more about the experience of the many excellent social enterprises in that region."

Following on from Voice10, the Coalition has launched 'No More Business as Usual: A Social Enterprise Manifesto', which aims to raise the profile of social enterprise in the run up to the general election and show how social enterprise can meet public demand for a more ethical approach to business. The manifesto lays out a number of ways in which the next government can help social enterprise achieve its aim to significantly increase both its contribution to GDP and its impact on the lives of individuals and communities across the UK. In addition to the manifesto, the Coalition is also asking MPs to sign up to a 'Social Enterprise Charter' to demonstrate their support for social enterprise. **se**

## MAKING CONTACT

**Social Enterprise Coalition** | [www.socialenterprise.org.uk](http://www.socialenterprise.org.uk)

**i** The Social Enterprise Coalition is the UK's national body for social enterprise and represents a wide range of social enterprises, regional and national support networks and other related organisations.

# Funds back social enterprises in Birmingham

**Round Two of the Social Enterprise Fund and Active Citizenship Fund opens in March 2010, with a deadline of 30 April.**

Organisations interested in applying will have the opportunity to attend one of 10 roadshows, to be held across Birmingham in early March, to seek advice. Information will also be made available on the Be Birmingham website in late February.

The Social Capital and Enterprise Programme was launched by Be Birmingham in 2009 to encourage social enterprises to develop innovative ways of addressing local needs and maximising their positive impact on employment, the environment and local wellbeing. It forms part of the larger Working Neighbourhoods Fund, established to tackle long term unemployment

and support the local economy. Social enterprises and voluntary and community organisations (VCOs) may apply.

Funding is available through three streams: the Social Enterprise Fund; the Active Citizenship Fund; and the Successful Neighbourhoods Fund. In addition to these, a bursary is available to VCOs that are able to host a volunteering placement as part of the Volunteering Project. The programme also provides support to public sector organisations wishing to develop new business models and commissioning procedures to facilitate improvements in commissioning practice as well as increase the level of services delivered by the third sector. **se**

## MAKING CONTACT

**Be Birmingham** | 0121 464 9168 | [www.bebirmingham.org.uk](http://www.bebirmingham.org.uk)

## Stimulating demand

Free one-to-one business mentorship support is available for Birmingham-based SMEs. From March, up to 90 companies will have the opportunity to work with Deloitte and the Academy for Chief Executives to build development plans and receive mentorship for up to 12 months. The programme is for entrepreneurs and management teams seeking guidance on business issues and support for growth, funded by Birmingham City Council and the Working Neighbourhoods Fund.

## MAKING CONTACT

**Tricia Yang, Deloitte** | 0121 695 5580 | [birminghamsdhg@deloitte.co.uk](mailto:birminghamsdhg@deloitte.co.uk)





# THE TIME IS NOW

## A vision for social enterprise the West Midlands

An important milestone was reached for the social enterprise sector in January, with the launch of 'The Time is Now' – a regional prospectus which sets out a five year vision for social enterprise in the West Midlands, including a route map of how this might be achieved. **Kevin Maton**, Network Director, Social Enterprise West Midlands (SEWM), positions the prospectus for **se**.

### Why now?

The state of our economy – driven by unconstrained financial imprudence and a lack of (indeed a resistance to) public accountability – has left us more vulnerable with greater unemployment. This, coupled to growing concerns about our environment, has fuelled enthusiasm for a new approach to the way we do business.

Evidence shows that people increasingly believe it is important to buy ethically and responsibly. Yet those very same institutions and organisations that must take a large chunk of the responsibility for creating the circumstances that led to the recession are now encouraging us to get back to 'business as usual'.

I don't think we can accept 'business as usual'. There has to be a new balance within the economy that puts community ownership and accountability, and consideration of the



that can be generated at all costs.

We see that social enterprises have survived the recent economic meltdown well, as evidenced by the Social Enterprise Coalition's research into the State of the Sector (see page 8) and the financial results from companies such as John Lewis and Coventry Building Society.

Those of us already working in the sector know that social enterprise provides a great alternative way to do business. It's now time for us to make our own mark on the business community. Social enterprise might be seen by many as a sideline from the big corporate way of doing things, but if more people knew about it, my belief is that they would make very different choices about the way that they conduct their lives. We need to connect those willing customers and service users with the type of businesses they want to purchase from.

### Our vision

SEWM sees the launch of 'The Time is Now' prospectus as the starting point for a dramatic change in the way this region develops its enterprising activities – whether that's in traditional public service areas or those associated with private business. This change, which has been a long time coming, has the potential to significantly improve the region's economic performance – helping to bridge its output gap as well as impacting on social and environmental concerns.

Our vision is of a region in which:

- Individual social enterprises and the social enterprise sector as a whole create economic prosperity, built on a foundation of core values and principles – social and environmental responsibility, mutual benefit, trust and transparency.
- People use their business ideas and energies for social and environmental benefit, not personal profit.
- Communities can rely on the provision of all sorts of goods and services through social enterprises that are ethically produced and sourced, honestly priced and delivered in sustainable ways.
- The environment and the way resources are managed are as important a consideration for commercial suppliers and consumers as price and convenience.

In achieving this vision we see the West Midlands becoming a region that inspires other areas and new generations to use social enterprise models to create, retain and distribute wealth and opportunity for the whole community; a region where responsible business practices and care for our environment go hand in hand.



“We see the West Midlands becoming a region that inspires other areas and new generations to use social enterprise models to create, retain and distribute wealth and opportunity for the whole community.”

### Why this prospectus?

The vision SEWM has for social enterprise is absolutely dependent upon all stakeholders – social enterprises and social entrepreneurs, investors and lenders, policy makers and funders, public sector agencies, business support providers, consumers and active citizens – engaging, owning and being committed to playing a part in delivering it. Our aim with this prospectus is to share our vision, offer some ideas as to how it might be achieved and encourage stakeholders to get involved. It is only the starting point.

### Moving towards the vision

We have set out three key priorities which we believe are crucial in moving us towards the vision:

#### Making social enterprise first choice

If social enterprise is to become the first business, social and economic choice, more people need to understand what it is. Without a higher 'profile' the sector will struggle to increase the number of customers – of all kinds – who buy from it. The new Social Enterprise Mark, offering similar reassurance to buyers as the Fairtrade label, will assist with this.

#### Enabling the social enterprise sector to thrive

We are asking social enterprises to look outwards and consider their potential for growth and creating greater impact. If social enterprise is to become a recognised and respected part of the economy, we will need a critical mass of social enterprises – each trading profitably, having a demonstrable impact on people and places, developing their own sustainable growth strategies and drawing lessons in 'commercial

know-how' both from the private sector and social enterprise peers.

#### Strengthen support to the sector

The support and stimulus offered by strategic planning, business and enterprise support agencies, along with other professional services providers is absolutely crucial in achieving the vision. A well resourced framework of advice and support will assist in increasing the viability and resilience of individual enterprises and in growing the sector as a whole. It will mean exploiting sector intelligence and tapping into this region's impressive knowledge base.

We see our role as that of facilitator. Turning our vision into reality will require ideas, dialogue and communication within the sector.

### Ideas, dialogue and communication

- To generate ideas, we need to promote the prospectus. Please take time to read it – and encourage others to do so.
- Let us have your feedback – whether you endorse or want to challenge our ideas. It is crucial for us to know your views, so that we can continuously improve the services and resources available to support social enterprise in the West Midlands.
- We hope you will be inspired to think about new opportunities, discuss with colleagues and friends how the prospectus relates to you, your organisation, and your community. Contact SEWM or local specialists for help with your ideas. There are a number of professional advisers and other support agencies in the region – visit our website for up-to-date contact details.

**Above:** The Prospectus launch event, 27 January. **Flagship Social Enterprise leaders at the launch:** Opposite – Jon Argent, Halo Leisure; Below (left to right) – Charlotte Hollins (Fordhall Community Land Initiative); Will Nixon (PM Training); Vicki Fitzgerald (Gateway Family Services CIC); Richard Davies, Marches Energy Agency.

Photos © Shaun Fellows / www.shinepic.co.uk



Richard Davies  
Director  
Marches Energy Agency



- Consider coming along to one of the meetings or workshops we will be organising over the next three months to promote our vision and the ideas in the prospectus.
- We would really welcome invitations to any events you are organising, at which we could talk to those with an interest in social enterprise and the ideas in the prospectus.

SEWM has designed 'The Time is Now' prospectus to set a direction and get a commitment from the sector to take action. We believe a better future for us all is dependent upon grasping the opportunities we are currently presented with. **se**

### MAKING CONTACT

**Kevin Maton, Social Enterprise West Midlands** |  
k.maton@socialenterprisewm.org.uk

'The Time is Now' prospectus is available to download at [www.socialenterprisewm.org.uk](http://www.socialenterprisewm.org.uk). To request a hard copy call 024 7663 3911.

# THE STATE OF SOCIAL ENTERPRISE

With the aim of shedding light on the size, structure, motivations, prospects, origins and future of social enterprise in the UK, the Social Enterprise Coalition last year commissioned the first ever large scale survey into the sector. The results were published in November and make interesting reading.

Overall, the survey found optimism and growth in the sector, particularly when compared with commercial businesses.

## Social enterprises vary widely in scale and their economic impact is significant and growing

It is estimated that there are 62,000 social enterprises in the UK, contributing £24 billion to the UK economy and employing around 800,000 people. There are few market sectors that don't now include social enterprises. While some are very large, with turnovers in excess of 100 million, the majority operate on a small business scale. Their median turnover is £175,000.

Social enterprises were found to be twice as confident of future growth as typical small to medium enterprises (SMEs), with 48% of social

enterprises responding positively as opposed to just 24% of SMEs.

Additionally, since the economic downturn began, 56% have increased their turnover from the previous year whilst less than 20% have seen it go down. This is a considerably better performance than SMEs in the UK, where only 28% increased their turnover and 43% saw it go down.

Two thirds of social enterprises were making a profit and a further 20% were breaking even.

## Social enterprises are breaking the 'glass ceiling'

The survey found that social enterprises are breaking the glass ceiling: 26% of social enterprises could be described as 'women-led' – almost twice as many compared to small businesses (26% compared to 14%). Furthermore, 41.1% of all board members are women, compared to just 11.7% of board members in FTSE 100 companies and 4.9% in AIM-listed companies.

## Social enterprises are agents for positive change

The most frequently cited reasons for starting up or working for a social enterprise are: 'putting something back into the community' (included in 45% of all responses), 'a better way to achieve social or environmental goals' (24%) and 'make a lasting difference' (20%). Many social enterprises reported

a focus on developing human capital through employment and training.

## Social enterprise is a diverse sector

Social enterprises have diverse beginnings: Whilst roughly half of the organisations surveyed had a voluntary or community sector background, the other half stemmed from every possible source – entrepreneurial individuals to former public-sector organisations.

Slightly more than one in ten social enterprises said they were operating on a national scale. Two fifths said they worked in their local authority area, or in one or two local authority areas (42%).

In terms of legal form, whilst most social enterprises surveyed were companies limited by guarantee, the rest had a variety of legal forms.

## Social enterprises are ambitious and in need of capital

Social enterprises were revealed as being as ambitious and capital-hungry as commercial small business: One-third of social enterprises had sought finance in the previous 12 months – which is broadly comparable to the search for capital by SMEs. 71% said they had been given between 75% and 100% of what they asked for. The finance sought was mainly for growth: 60% of all funding required was for investment in new projects, service development, plant or buildings.





“Social enterprises were found to be twice as confident of future growth as typical small to medium enterprises, with 48% responding positively.”

**Optimistic** | Debbie takes a payment at Where Next? Association's garden centre, Spernal, Ash, Studley. Optimism about future growth amongst social enterprises is running high. You can read more about Where Next? and their approach to business growth in the next edition of **se**.

Photo: © Ian Cuthbert / info@iuncubertdesign.com

As with commercial businesses, finance was reported to be the greatest enabler for enterprise when present (indicated by 56% of replies) and the greatest barrier by far when unavailable (indicated in over two thirds of replies).

## The public sector is already a key customer

The economic and social benefits of contracting with social enterprises is becoming increasingly apparent to the public sector. 39% of social enterprises reported that over half their income was coming from local and central government.

## Business support isn't fully meeting social enterprise needs

Business support was found to be insufficiently tailored to social enterprise needs. Social enterprises had sought support from many sources, but a common theme was support from their peers. It was concluded that government business support funding should be channelled into such services which are in demand.

Commenting on the survey findings, Claire Dove, Chair of SEC, said: "This is the most robust and detailed research the sector has ever had and gives us new information that can help shift the discourse about social enterprise from anecdote to evidence. The challenge ahead is to ensure that it is

understood by educators, financiers, legal and accountancy professionals, policy-makers and politicians – all of whom can support its growth." **se**

## MAKING CONTACT

**Social Enterprise Coalition** | [www.socialenterprise.org.uk/data/files/stateofsocialenterprise2009.pdf](http://www.socialenterprise.org.uk/data/files/stateofsocialenterprise2009.pdf)

**i 'The State of Social Enterprise Survey 2009'** was commissioned by the Social Enterprise Coalition with fieldwork, involving 962 telephone interviews with senior figures within social enterprises, being carried out by CELLO mrak research. It was sponsored by the Office of the Third Sector and supported by the Commission for Rural Communities, the Community Interest Company Regulator, the Scottish Social Enterprise Coalition and the Social Economy Network in Northern Ireland.

## se MAGAZINE: WHAT DO YOU THINK?

**It's over a year since SE was launched and we would like to know what you think of it! Would you like it to carry on? What would you like to see in it to make it more useful to you?**

Our aim with **se** is to provide a practical source of reference and information to support people working in the social enterprise sector – whether you are new to it, or having been working in it for some time. Have we succeeded? If not, why not? Please complete our short survey online and help us to help you more effectively.

**To complete the survey go to: <http://bit.ly/1CE1fA>.  
The closing date is 19 April 2010.**

As a thank you for getting in touch we'll enter every respondent into a prize draw to win £100 for their nominated social enterprise. If you have already commented, you'll automatically be entered into the prize draw.



We look forward to hearing your views...

# CDFIs are unsung heroes of recession



**Research published by the Community Development Finance Association (CDFA) has revealed that Community Development Finance Institutions (CDFIs) are the great unsung success story of the recession.**

Designed to lend to those who struggle to get credit from high street banks, these social enterprises started to appear in the UK in the mid 1980s and have been recognised as a sector since 2000. There are now 70 CDFIs in the UK. They have a remit to provide fair, affordable finance, particularly in areas of high deprivation, and have been helping the least-well-off to access personal finance, as well as offering business finance targeted to disadvantaged areas and a much-needed lifeline to business customers who have suddenly been turned away by the banks in the downturn. They also support community groups and social enterprises. Loan repayments are recycled back into communities as more loans.

The CDFA's research report, *Inside Out 2009: Weathering the Storm*, reveals that across the UK CDFIs faced a massive increase in demand as the recession hit last year.

In real terms, CDFIs lending to small businesses tripled the value of loans made between 2008 and 2009, partly due to an increase in loan applications but also due to demand for larger amounts. In the personal-lending sector, CDFIs provided 34% more finance. However, loan conversion rates – the proportion of loans granted, compared to loan applications received – fell in every market sector except personal lending.

Other headline findings from the research report show that:

- CDFIs helped customers in underserved markets to raise an

additional £126m from mainstream finance providers last year

- Cumulatively CDFIs have loaned and enabled leveraging of a total of nearly £1bn since 2003
- The CDFI loan portfolio stands at £394m
- CDFI finance helped to create and sustain around 10,000 jobs last year; 96,000 cumulatively since 2003
- Many CDFIs have experienced difficulties in raising the funds necessary to meet increased client demand.

Bernie Morgan, Chief Executive of the CDFA, comments: "While CDFIs have made a vital contribution to the prosperity of the UK's most disadvantaged communities, they are still falling short of their full potential. They need increased support from the Government, banks and other stakeholders to achieve long term sustainability and full coverage of the UK. This is a key moment in time: the opportunity to reshape the services of the banking sector to combat real need throughout the UK will not arise again for many years. Unless we address the need now, future generations will find us wanting as they face the same issues as their forebears and poverty becomes more entrenched than ever in their communities."

Although national coverage is patchy, the CDFI sector is particularly strong in the West Midlands. CDFIs based in the region include ART (Aston Reinvestment Trust), Black Country Reinvestment Society, Coventry and Warwickshire Reinvestment Trust, Impetus, MCF Loans and Street UK. These CDFIs, together with other lenders, operate under the umbrella of the Fair Finance Consortium which, with support from Advantage West Midlands, aims to prevent financial exclusion and offer access to finance across the region. **se**

## MAKING CONTACT

**Community Development Finance Association** | [www.cdfa.org.uk](http://www.cdfa.org.uk)  
**Fair Finance Consortium** | [www.fair-finance.net](http://www.fair-finance.net)



## LENDING PROFILES ARE CHANGING

While CDFIs loaned a record £113m in 2009, this was less than a third of the amount applied for by customers frozen out by the banks. So, while they remain focused on their core mission of creating opportunity in disadvantaged communities, they are reporting that the demographic of loans is changing as a result of the recession.

*"We have recently seen many applications at the top end of our range for 'distress lending' to save jobs ... We have also seen fewer applications from sole traders wishing to start up. We have received applications from types of businesses we would not have seen before."*

*Enterprise-lending CDFI*

*The purpose of loans applied for has changed during the credit crunch as more people apply for debt related assistance and the impact of unemployment.*

*Personal-lending CDFI*



# Boosting social enterprise start up

## Growing the social enterprise sector

The number of sustainable social enterprises trading in the West Midlands is set to increase over the next three years, thanks to a new project that has been set up to provide intensive support prior to start up, as well as increase the number of specialist support advisors available to social enterprises across the region.

The project, Growing the Social Enterprise Sector in the West Midlands, is being funded by the ERDF and AWM with a range of match funding, and delivered by a partnership of business support providers: Community First, Coventry and Warwickshire CDA, iSE, Shropshire Rural Community Council and SWEDA (Sandwell Women's Enterprise Development Agency). Together they have secured approximately £800,000 to help create 70 new social enterprises and 140 jobs in the West Midlands by the end of 2012.

Tamy Matanky, Strategic Director at Coventry and Warwickshire CDA, explains: "The CDA strongly believes in partnerships and we wanted to work closely with other business support providers to get the most out of the project. The organisations involved saw the opportunities and benefits of the project and wanted to help us to take the idea forward and make it a reality."

Each business support provider will be recruiting or redeploying an outreach coach who will offer advice to pre-start social enterprises.

"We are aiming to help local groups and voluntary and community organisations start trading social enterprises and at the same time build the capacity of social enterprise support across the region," says Tamy.



Photo © Chris Schmidt / iStockphoto.com

"The project was developed because we identified gaps in service provision. By offering consistent and sustainable specialist business support across the West Midlands, we believe we can have a significant positive impact on the size and long-term viability of the social enterprise sector."

If you are interested in accessing support from the project, contact the business support provider in your area, as shown below. **se**

### MAKING CONTACT

**Community First (Hereford and Worcestershire)** | 01432 267820 (Herefordshire) or 01684 312730 (Worcestershire) | [www.comfirst.org.uk](http://www.comfirst.org.uk)

**Coventry and Warwickshire CDA (Coventry and Warwickshire)** | 024 7663 3911 | [www.cwcd.co.uk](http://www.cwcd.co.uk)

**iSE (Birmingham and Solihull)** | 0121 771 1411 | [www.i-se.co.uk](http://www.i-se.co.uk)

**Shropshire Rural Community Council (Shropshire)** | 01743 360641 | [www.shropshire-rcc.org.uk](http://www.shropshire-rcc.org.uk)

**SWEDA (Sandwell)** | 0121 525 2558

### PROJECT AIMS

Growing the Social Enterprise Sector in the West Midlands is funded from September 2009 to August 2012. It aims to:

- Increase the number of sustainable social enterprises trading in the West Midlands through new business formation.
- Improve financial viability of VCO through conversion to social enterprise or by setting up trading arms.
- Create viable employment opportunities through social enterprises.
- Increase the number of groups and individuals wanting to set up social enterprises.
- Further develop the capacity of regional delivery infrastructure.



# TOGETHER, WE CAN' ACHIEVE SO MUCH MORE



“When you bring people together it fosters a creative drive in them. That was certainly the case for me.”



## MAKING CONTACT

Social Enterprise Mentor |  
[www.SocialEnterpriseMentor.com](http://www.SocialEnterpriseMentor.com)

**i** Social Enterprise Mentor Exchange meetings are held on the **third Thursday of every month**, at the Urban Coffee Company, 30 Church Street, Birmingham B3 2NP, between 10 and 11.30am. The events are free and open to anyone who works in, supports, or shares an interest in the sector.

February 2010 saw the launch of Social Enterprise Mentor, an initiative aimed at helping the sector work together more closely to develop partnerships and large scale collaborations. **se** caught up with **Mark Ellerby**, the creator of Social Enterprise Mentor, to find out more about this exciting new project.

“It’s a great way to build business relationships or start clusters. By talking to like-minded individuals, hopefully you will go away inspired to do something great.”

Social Enterprise Mentor is based on the idea that peers can mentor each other. It offers both a physical and a virtual forum for the exchange of best practice and expertise among people already working in, or wanting to become involved in, social enterprise. “I created this project because I get a buzz out of seeing new initiatives work and people collaborating,” explains Mark. “When you bring people together it fosters a creative drive in them. That was certainly the case for me.”

Mark Ellerby is no stranger to the positive force and will of collaborative thinking. He has worked in the social enterprise sector for just two years, managing the RNIB’s, now Action for Blind People’s, Concept Conference Centre. During that time he has helped to form a group to represent third sector conference venues in Birmingham, collaborated on the Third Sector Conference Directory and, with fellow residents in Birmingham’s Jewellery Quarter, introduced a 24 Carrots Farmers’ Market to the area.

Prior to entering social enterprise Mark worked in education. There he was involved in a number of projects designed to help students, particularly those who were

disadvantaged, to access further or higher education and complete their studies. Collaboration between as many as six universities was required.

Mark has found the social enterprise and education sectors similar in terms of the number of people seeking to collaborate, but he’s noticed a difference in attitude. “This sector is probably less political,” he says, “in that social enterprises are keener to move things forward and develop their ideas. There’s a political agenda going on in universities and the education sector, which unfortunately sometimes delays or prevents people from developing services.”

Mark’s latest project, Social Enterprise Mentor, is being funded by Birmingham-based social enterprise Citizen Coaching. It has two parts: a virtual element and a physical element.

The virtual element of the project is a website, which enables you to find out about and sign up online for forthcoming events, exchange ideas on best practice, collaborate on new projects and read case studies and interviews with people working in the sector. The case studies are based on challenges and difficulties faced – and how they have been

overcome to achieve success. “Rather than reading another interview about people just wanting to promote their social enterprises, you are able to find out more about the people behind the businesses,” says Mark. “This will hopefully help to inspire change and reassure you that anything is possible if you are prepared to work for it.”

The physical element of the project, Social Enterprise Mentor Exchange, provides an opportunity for entrepreneurs and supporters of social enterprise to meet informally on a monthly basis and network in a ‘non sell’ environment. “It is often said that when you go to a conference, you get more out of talking to the delegates – making useful contacts and picking up interesting ideas – than you do from the presentations and speeches,” says Mark. “Well these meetings enable you to have the coffee breaks without the conferences! There’s no pressure. You get a free cup of coffee and you can mingle and network in a relaxed environment. It’s a great way to build business relationships or start clusters. By talking to like-minded individuals, hopefully you will go away inspired to do something great.” **se**



Photos © Ian Cumbert / info@cutibendesign.com

Jean Jarvis South Shropshire Furniture Scheme

**Over the next three years charities, voluntary and community organisations across Shropshire will be able to participate in a project aimed at helping them to develop strategies for moving away from grant dependency towards financial independence. The project, called Sustaining Rural Communities, is being run by South Shropshire Furniture Scheme (SSFS). SE asked Jean Jarvis, CEO of SSFS, to explain how the project came about and what it involves.**

"Over the last 15 years SSFS has transformed from a totally grant dependant charity, gradually diversifying to become an almost completely self-sufficient social enterprise. I believe this was crucial for our long term survival," says Jean, "and is equally critical for many other charities, voluntary and community organisations. Our aim with the Sustaining Rural Communities project is to share the lessons we have learnt, giving groups based in Shropshire the opportunity to visit us, access training and seek advice from our team. We want to help them develop sustainable sources of funding, establish and develop social enterprises and improve the impact and efficiency of their existing services."

The Sustaining Rural Communities project is being funded by the Big Lottery through the BASIS programme and roll out started in November 2009. It is open to all Shropshire-based charities, voluntary and community organisations.

"We are thrilled to have been awarded this grant," says Jean, "because it is

enabling us to pass on what we have learnt over 15 years, allowing others to accelerate the process of becoming more financially independent.

"We intend to help over 100 Shropshire organisations to generate a sustainable source of income of at least 20% of turnover. We believe this will raise awareness of the social enterprise model and lead to a major change in behaviour in participants' approach to funding their organisations."

### A role model

The Furniture Scheme began as a charity in 1994 with a £1,500 grant. It was set up, in response to a need expressed by the community, to reuse and recycle unwanted household items. It began by collecting donated furniture and household items to deliver to people on low incomes living in South Shropshire. Since then the organisation has developed and diversified into providing a range of services and training through a number of different social enterprise activities including furniture restoration, computer refurbishment, a craft workshop, a cafe and a number of retail outlets. SSFS also offers volunteering opportunities in a range of areas, from food hygiene to communication skills, to help vulnerable people develop their confidence and skills.

SSFS now employs 17 members of staff, either full or part time, has 50 - 60 regular volunteers and a Board of 9 volunteer Directors. More than 22,000 people have donated household items since the organisation started and around 3,500 families

and individuals have received help from the furniture scheme. Earlier this year, SSFS became the first West Midlands-based Social Enterprise to be awarded the 'Social Enterprise Mark'.

"Our organisation was founded to help others, especially those who are disadvantaged," says Jean "and over the years we have provided assistance and training to literally thousands of people. With the Sustaining Rural Communities project, we are now going to be able to take this one step further by helping other organisations to follow in our footsteps and become more sustainable."

### What can Sustaining Rural Communities project participants expect?

- A detailed initial assessment of their needs.
- A visit to South Shropshire Furniture Scheme (SSFS) in Ludlow, guided and facilitated by Jean Jarvis, with a group of people from other third sector organisations.
- The opportunity to find out more about the social enterprise approach, how to set up and develop a social enterprise and how to address local issues without depending on grants.
- The opportunity to exchange and share ideas and best practice with other participants.
- Specialist advice and training from SSFS.
- Signposting to other relevant training courses, information and support. **se**



# MOVING AWAY FROM GRANT DEPENDENCY

Sustaining rural communities in Shropshire




## MAKING CONTACT

**South Shropshire Furniture Scheme / Sustainable Rural Communities project** |  
01584 877751 | [jean@furniturescheme.co.uk](mailto:jean@furniturescheme.co.uk) |  
[www.furniturescheme.co.uk](http://www.furniturescheme.co.uk)

**i** **Jean Jarvis** is CEO of South Shropshire Furniture Scheme, a Social Enterprise Ambassador and a Social Enterprise West Midlands Board Member.





After six years of being at the forefront of innovative educational practice, Leamington-based Hybrid Arts is starting to witness the educational landscape in the UK shifting. As the Establishment moves to catch up, directors **Tim Ellis** and **Stella Carr** have their eyes fixed firmly on their next set of objectives. They talked to **se** about their vision.

# CREATIVITY INNOVATION LEADERSHIP

In 2003, from a combined background of 30 years of arts practice, development and education, Tim Ellis and Stella Carr decided to form Hybrid Arts. Their aim: to put creativity back into the classroom.

Tim says, "We saw a gap in the mainstream education system, where those young people who, for whatever reason, found it difficult to achieve were falling through the cracks and becoming disenfranchised. After working within the system, both Stella and I noticed that these young people were often highly creative."

Frustrated with how creativity did not have the chance to thrive within the boundaries of conventional classroom learning, Tim and Stella were driven to deliver learning that inspires, motivates and qualifies young people, by using creative technologies. The Hybrid Arts training programmes started by utilising a variety of art forms, including music, video, animation and graphics, allowing learners to experience first hand what life is like in a pioneering creative industries enterprise. The focus is on entrepreneurship and key career skills.

“We saw a gap in the mainstream education system, where those young people who, for whatever reason, found it difficult to achieve were falling through the cracks and becoming disenfranchised.”

"These technologies are a fantastic medium for harnessing creative potential and providing motivation," says Tim, "but it's when you put a young person with an artist in a hybrid learning environment that you really see educational and social development take place."

The Hybrid model has now become recognised regionally, nationally and internationally. Tim and Stella's promotion of alternative learning practises has placed them at the forefront of educational innovation, and their vision is in tune with the Government agendas for children, young people and digital inclusion.

Stella takes up the story: "Our most documented work is our progressive

activity with 14-19 year olds who are NEET (not engaged in mainstream education, employment or training). Our experiences with this challenging, but often inspirational, group of young people have resulted in us being approached by government agencies from across Europe to be used as case studies to demonstrate best practice.

"The time is ripe for change," enthuses Stella. "Hybrid Arts is evolving as a social enterprise, and we are now perfectly placed to develop our core aim of building cultural and social capital through innovative arts practice."

Tim adds, "We have demonstrated the success of leading with creative practitioners – we now wish to expand this model to bring in more artists, broadening our practice to foster sustained creativity and diversity."

Hybrid Arts has become one of the first providers to deliver the Creative Arts and Media Diploma – a new qualification directed at skilling up young people ready for the workplace – and has plans to expand its curricular activity to incorporate creativity into



“The time is ripe for change. Hybrid Arts is evolving as a social enterprise, and we are now perfectly placed to develop our core aim of building cultural and social capital through innovative arts practice.”

the areas of environment, society and identity. Its forthcoming international cultural tourism project, 2.0 Treasures, is designed to extend young people's digital literacy and get them thinking creatively about the world around them and how they fit within it. Young people from four European countries will share ideas about local identity by collecting creative media files on a weekly theme, such as images, film or ring tones, and uploading them to a dedicated website. This will encourage an intercultural dialogue, getting young people talking about where they come from, cultural identity and identifying unique aspects of their local environment – equipping them with

social skills and cultural competencies in the process. By working closely with artists, the young people will learn how to talk about their creativity.

Tim and Stella are excited about moving forward and embarking on new collaborations. Their message to other social enterprises, who are perhaps feeling a little uncertain about the future is: “Don't be afraid to develop and expand in these difficult and unstable times. You may have to take risks, or adopt a completely different approach – but this creative thinking and flexible attitude is exactly what entrepreneurs excel at.” **se**

## MAKING CONTACT

**Hybrid Arts** | [info@hybridarts.co.uk](mailto:info@hybridarts.co.uk) | [www.hybridarts.co.uk](http://www.hybridarts.co.uk)

**i** **Hybrid Arts** is an arts training social enterprise for young people. Its core aim is to build cultural and social capital by fostering creative expression, delivering learning that inspires, motivates and qualifies young people who do not thrive in current mainstream education. [www.youtube.com/hybridfilms](http://www.youtube.com/hybridfilms) [www.myspace.com/indestructiblemusicclub](http://www.myspace.com/indestructiblemusicclub)





“Consultants are capable of delivering excellent, creative and valuable work to support the launch, growth and development of a business – but the people and the circumstances have to be right.”

Consultants – external experts in a particular field – can add significant value to a business, particularly those that can't afford to employ full time experts in-house. But all too often the consultant client relationship goes wrong, resulting instead in wasted time and money, frustration and disappointment all round. Here, **se's** editor, **Sally Edwards**, offers some tips on how to get the best out of consultants.

# Working with

I have been a marketing and communications consultant for some 20 years and during that time I have frequently come across clients who've had bad experiences. I've found myself having to re-build confidence in the benefits of using a consultant, before I can start work. Many of the issues I have come across apply equally to consultants working in other fields, particularly those offering business advice.

So what goes wrong? Do any of the following sound familiar?

## The trouble with consultants is...

- They charge a small fortune each month, but hardly do anything for the money.
- The people who came to pitch for our business were full of big ideas and promises, but we didn't see them again. They sent an 'office junior' to work with us, who didn't know what he was doing.
- They just don't know enough about my business, or market to be of any use.

In some cases, these criticisms may be justified. But have you ever thought about it from the consultant's point of view? If there are problems, it could be because you are preventing your consultant from doing the job you want done. Believe it or not, we have a list of common complaints about clients!

## The problem with clients is...

- They are not clear about what they want to achieve, or what they are 'buying'.
- They are too busy to talk to us and think we can produce valuable work without regular communication or close association with their business.

- They have an idea a minute and are engaged in trying to do so many things at once that there is no focus to the activity and nothing gets finished.

## Bridging the gap

The key to getting the results you want is effective communication at the outset, so that understanding and expectations on both sides are aligned.

The more time you invest in briefing and getting to know your consultant, the more independent the consultant can become and the better the return on your investment. The closer the consultant can get to your business, the more he or she can see how to add value, so a consultant really needs to become an extension of your in-house team as quickly as possible.

All consultants should have the necessary knowledge of their own fields to enable them to support your business, so it often comes down to choosing one that you will enjoy working with; someone whose style matches or complements your own; and someone you can respect. Does she seem to have the same values as you? Does he seem enthusiastic about the challenges at hand? Individuals can learn about your business or market sector, but they can't change their basic nature.

To get the best results, you will need to work in partnership. Neither side should be afraid to ask or to learn. If an idea doesn't work, that's a valuable lesson learnt – not a reason for throwing in the towel! Each of you has a different piece of the jigsaw. By accepting this and using your differences creatively, you should be able to generate ideas and produce work that is better than either of you could have produced on your own.

# consultants

## Practical considerations

Hiring a consultant won't necessarily save you time. You will not get the best results by ceasing to be involved in whatever it is you have hired your consultant to do once they are on board. It is extremely difficult for consultants to be busy on your behalf if you are too busy to talk to them. Even having good, creative, meetings isn't enough if you, or your nominated staff members, then haven't got time to take any agreed action!

Planning and focus are crucial. Lots of ideas dissipate energy. Trying to do too much at any one time leads to confusion – not only for you, your staff and consultants, but also for the people you want to sell to or offer a service to. You need to establish your options, be clear about your objectives, then prioritise.

The right consultant will want to achieve outstanding results as much as you do. Furthermore, consultants offering their services to the Third Sector will be motivated as much by a desire to make a difference, problem-solve and help you to achieve your social objectives as they are by a desire to make money.

When it comes to cost, it's a matter of horses for courses. You need a consultant, or consultancy, appropriate to the size of your budget. In the case of marketing, for example, if you want to launch the National Lottery, go to Saatchi and Saatchi; if you want political lobbying, find a specialist; if you are a small business wanting a media relations campaign, choose a small consultancy. And don't forget that freelancers can offer excellent value for money for social enterprises as they don't have the overheads of the larger consultancies, but may well have the experience.

## Consultants can...

- Challenge the status quo and offer you a valuable alternative perspective
- Help you to work more effectively, saving your enterprise time and money in the long term
- Be there when you need them, but not when you don't – they're a flexible, uncomplicated, resource.

It can be useful to have a consultant's external vision. They operate outside of the politics and culture, which can skew in-house decision-making. They have worked with many different clients, so can offer ideas and alternative ways of doing things you may not have thought of.

You can't be an expert in everything, so working with a variety of people who are experts in their fields will enable you to do whatever needs doing in the most efficient and effective way.

It's an obvious point, but consultants are not on the pay roll. So consider when you draw a sharp intake of breath at their fees that they don't get paid that rate all day every day. They don't get paid for holidays or sick leave. In fact they group productive 'rechargeable' hours together to make a 'rechargeable' day – unlike staff. And you have no personnel issues with them! You should, however, have a contract, which spells out the terms of engagement so that they are clearly understood by both sides.

Depending on the style of working or regulatory control required by your organisation, contracts can be very precise, detailing exactly what is to be delivered and at what cost, or they can be quite loose, for example saying that activities will be agreed and approved along the way up to a certain budget. They can be for a particular project, or for ongoing support with

“The more time you invest in briefing and getting to know your consultant, the more independent the consultant can become and the better the return on your investment.”

timetabled reviews and notice periods included. Whatever form of contract you choose, if you have one it will enable you to end the relationship in an uncomplicated way if you find you have a problem with your consultant.

I have worked for a wide variety of organisations, which has brought me into contact with diverse consultants many of whom I've worked with as part of a multi-disciplinary team. In my experience consultants are capable of delivering excellent, creative and valuable work to support the launch, growth and development of a business – but the people and the circumstances have to be right.

There are some 'bad' consultants: those who are 'flying by the seat of their pants' with insufficient depth of knowledge; those who are trying to get away with delivering as little as possible, who care more about their own income and lifestyle than your business; those whose values, personalities or styles of working simply aren't right for you; but there are many others you might think you have a problem with, who are actually trying to do their best, but are lacking the appropriate support and understanding from your organisation, which has frustrated and demotivated them.

If you invest time in the whole process of using a consultant, which means in the relationship as well as in planning activities, the common complaints can be overcome. If they can't you need to look for another consultant. We are not all the same, so don't discount us all because you've had one bad experience! **se**

# taking the

No matter what the size or nature of your enterprise, the quality and performance of its leaders is going to be of critical importance to its success. According to recent research, given the opportunity, organisations would only re-hire 62% of their current senior managers. What's more, over half of internal appointments into leadership positions fail in the absence of effective succession arrangements. **se** magazine spoke to Oliver Nyumbu, Chief Executive of Caret, leadership and organisational change specialists, to find out what social enterprises can do to improve their performance.

## **What do you see as the key challenges facing leaders in today's tough economic environment?**

To say that a leader's life is challenging and demanding at times is like suggesting a storm is breezy! Among the many demands of leadership, I would say that the five key challenges that my Caret colleagues and I have identified through our work with a wide range of organisations, are:

- Creating a vision for the organisation
- Turning ideas in to action
- Enthusing and engaging other people
- Clarifying values and setting a good example
- Leading and managing as though external trends matter.

## **There's a lot of confusion about what constitutes a vision and how it should be used; would you explain its role in relation to effective leadership?**

Vision can be described as creating a compelling picture of a future that is better than today. This can be really difficult given that rapid changes in the external environment require leaders to spend a lot of time away from the balcony and on the dance floor, attending to detail and reacting to the unplanned for. In fact, leadership becomes more improvisational art than science.

In an uncertain environment a single picture of the future can very quickly be rendered irrelevant. If the driving purpose of the business is clear, developing a range of alternative scenarios is vital – as is the understanding that failure can be an important part of your future. As Ron Dennis, chair of McLaren Automotive says, "When you are enjoying success in F1 you lose sight of the reality of success, which is that it is almost certainly going to be followed by failure." Dennis secured the future of the business through astutely diversifying. It may well be a different solution for your social enterprise but humility and the readiness to learn are essential components of bullet-proofing your future.

Since leadership is about rallying people towards a better tomorrow, what is the compelling picture you are painting? And how much time are you devoting to it? Twenty percent? Investing twenty percent of your time and energies into clarifying and minding the future is a goal worth aiming for. This translates into a day a week or ninety minutes of an eight hour day – quite demanding for the leadership of a resources-strapped organisation. But, given the pace, magnitude, and discontinuous nature of change isn't this a worthy investment?

## **With a vision in place, does it become easier for an organisation to take action?**

The record of organisations turning their bright ideas (vision!) into action is not an encouraging one – research suggests that three out of every four major change efforts fail to meet their original objectives. Sustainably effective businesses can be characterised as having: disciplined people, disciplined thought, and disciplined action. Ask yourself, "How meticulous are we prepared to be in our commitment to turn our vision into reality?" Or put another way, "What will be the consequences of failing to meet this commitment?"

In his book *Strategy and the Fat Smoker*, David Maister puts it rather well when he suggests that a Chief Executive will need to ask what it is that he or she can do personally that will give dramatic evidence that top management is serious about adhering to the strategy in spite of short-term temptations. How would you respond to the Maister suggestion?

## **How do you recommend that leaders share their vision about the direction of their organisation and engage their staff in helping them realise it?**

Leadership is a contact sport. It requires communication, maintaining a meaningful dialogue with those whom you have the responsibility and privilege of leading. Nonetheless, it is easy for





senior managers to assume that because something is clear in their heads and in what they are saying it is self-evident to those in the organisation. Often the reality is that self-evident is only evident to oneself and to no one else.

According to a Gallup survey, only 22 percent of people fully agree with the statement, "At work, I get the opportunity to do what I do best everyday". Whichever way you slice it this is very bad performance on the part of leadership. Great leaders focus on strongly understanding and building organisational culture and responding to the concerns of key players. This enables solutions that fit and a workforce that is invested in creating a brighter tomorrow.

Self awareness, self management and managing relationships are also essential if a leader is to effectively enthuse and engage the many stakeholders inside and outside their organisation. Unfortunately, senior managers are not always blessed with high levels of self-awareness! Marshall Goldsmith's research over many years demonstrates how this lack of self-awareness can reach delusional proportions. When asked to rate themselves against their peers, 80-85 percent of professionals put themselves in the top twenty percent of their peer group, while 70 percent rated themselves in the top 10 percent! Ask yourself, how would you rate yourself? And would your staff support your assessment?

### **How important is a leader's own actions and behaviour in motivating staff?**

Many leaders seem unclear of the core values that drive their behaviour. Indeed, in some cases, although leaders know their own core values, they do not behave as though they actually matter. In the words of Rosabeth Moss Kanter: "Change is something the top tells the middle to do to the bottom of the organisation."

Through evidently modelling their core values leaders can operate like thermostats controlling the temperature of the organisation, as opposed to thermometers that simply read and report it. In some cases, the everyday behaviour of leaders can kill the very future they claim to be pursuing.

### **Have you found that organisations suffer if their leaders are too inward-looking?**

Yes. Business leaders cannot afford to manage as though the external environment – the political, technological and competitive trends – is of no consequence. Consider, for instance, the changing landscape of the knowledge economy. In 1970, the knowledge economy made up 30% of UK GDP – today it is 45% and projected to rise to 60% by 2030. According to the Design Council, "Across OECD countries, which include most of Western Europe, the

US, Australia and Japan, 170m people are employed in knowledge roles, from management to high-tech manufacturing."

### **What might this mean for your organisation and what can you do to make sure you properly exploit these opportunities?**

One example of how the external environment can seriously impact a business is Borders the bookseller. Borders is a brand I have personally enjoyed around the world but, overtaken by trends and developments such as internet competition and encroachment on its market by supermarkets, the company has gone into administration. What were the senior managers doing in the crow's nest? Did they lack the agility to respond to the changing environment? Leaders must make the most of both crow's nest and engine room positions in order to survive and thrive. **se**

## **MAKING CONTACT**

**Caret** | [www.caret.co.uk](http://www.caret.co.uk)

**i** **Caret specialises in leadership and organisational change, helping businesses to sustain employee engagement and the benefits of change and great performance. Clients have included: Microsoft, YAHOO, KPMG, Lloyds Banking Group, NHS London, Solihull MBC. Caret also delivered leadership inputs as part of Social Enterprise West Midlands' Summer School event.**

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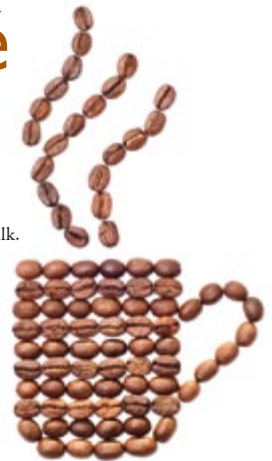
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# 4se

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**Next meeting 30 March 2010, Birmingham**

For more information contact:

**SOCIAL ENTERPRISE CENTRE OF EXPERTISE**

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## We Share Stuff

*'Learning to use technology is like learning to drive — the rules, the highway code, being safe and not hurting yourself or others, are more the focus than what each control does. Not that learning to drive isn't learning to use the controls, it is, but it's only a start. Your teacher, your mum, your dad or a paid-for-instructor will focus on what's happening around you rather than learning by rote what pedal to press when. Once you've mastered the gear change, it's all about observation and reaction.'*

Find out how we can help you make the most of digital opportunities  
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# Levelling the playing field

## for social enterprise finance

**Fair Finance Consortium** is a group of West Midlands based community finance providers, all of whom are themselves within the social enterprise sector. We understand how hard it can be for social enterprises to raise finance from mainstream providers – even now it seems they sometimes just don't get the idea of social enterprise.



Fair Finance Consortium members can work with you, help you develop your business ideas and use their own funds to lend to your social enterprise. It can be very difficult to raise start-up or expansion finance from other sources, but Fair Finance Consortium members can lend up to £50,000 to social enterprises in the region that have plans to expand but lack the financial support. Interest charges are competitive and you will be dealing with a local business that understands your local situation. Fair Finance does not make loans itself, but puts you in touch with community finance providers that do.



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**socialenterprise**  
WEST MIDLANDS

# Join us!

**Our members share a vision for a dynamic, growing and sustainable social enterprise sector in the West Midlands, creating meaningful and lasting economic, social, and environmental change.**

Together we can be a strong voice and enable the sector to thrive. Join over 400 social enterprise supporters and register for membership of Social Enterprise West Midlands online today! **Membership is free** and benefits include:

- A weekly digest of news and events
- Listing in our online member directory
- Free quarterly magazine, **se**
- Quarterly network meetings and visits to social enterprises
- Free or discounted events
- Networking and knowledge exchange forums
- Opportunities to influence our thinking and shape our work
- Links to regional and national developments

**Apply online at: [www.socialenterprisewm.org.uk](http://www.socialenterprisewm.org.uk)**





# *the* brand for social enterprises



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**Get the Mark** and your customers and business contacts will know that your business trades for people and planet.

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