

KINGSTON SOCIAL ENTERPRISE AND INNOVATION TOOLKIT: A PRIMER FOR SOCIAL ENTREPRENEURS



SOURCE: BLOOMBERG,

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QUEEN'S SCHOOL OF URBAN & REGIONAL PLANNING
SOCIAL PLANNING COUNCIL OF KINGSTON AND DISTRICT

2011



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PREAMBLE

This template for a Social Enterprise and Innovation Toolkit was developed collaboratively between the Social Planning Council of Kingston and District and the School of Urban and Regional Planning, Queen's University. The project team consisted of six urban planning students, who were coached by Dr. Leela Viswanathan and Dr. Patricia Collins from the School of Urban and Regional Planning, as well as Mr. David Jackson with the Social Planning Council.

The project team researched and identified potential tools that could prove beneficial for a group or individual hoping to establish a social enterprise or adopt socially innovative practices in their already existing business. In order to produce a comprehensive and contextualized document the students undertook background research regarding:

- What is a social enterprise and what forms can it take?
- What does the term social innovation mean?
- Are there opportunities for social enterprise and innovation in Kingston?
- Identify examples of social enterprise and innovation toolkits from Canada and abroad.

The project team used several methods to answer these questions, including background research and a literature review, site visits to existing social enterprises in Kingston, and running a focus group with stakeholders and community members. The ultimate aim of this research process was to enable the project team to pinpoint tools that can help social entrepreneurs in Kingston in their process of establishing a social enterprise?

The construction of this Toolkit took place over several months and was completed with the constructive guidance of the coaches. With their assistance the quality of the Toolkit was pushed to a high level.

EXECUTIVE SUMMARY

Social enterprise and innovation is an emerging trend. Now, in the year 2011, there can be many examples of social enterprise and innovation found around the world, in Canada and in Kingston. Essentially a form of community economic development, social enterprises simultaneously generate revenue while also achieving positive community impacts. Social enterprises take many different forms, exemplify differing governance structures and exchange a multitude of different types of goods and/or services. Despite the diverse nature of this concept, the most common forms of social enterprise include not-for-profit organizations, co-operative organizations and charitable organizations.

Further to the varying forms there are also deviations in the way social enterprise and social innovation is captured in a definition. In section One of this Toolkit these variations will be further explored. For the purposes of this Toolkit, however, the project team has identified one definition for each of these terms and used them to guide the Toolkit development process. Displayed below are the definitions that were identified as the most appropriate:

Social enterprise is... “...essentially a form of community economic development in which an organization exchanges services and goods in the market as a means to realizing its social objectives or mission”.

Social innovation is... “an idea that works for the public good. More specifically, it refers to new ideas that resolve existing social, cultural, economic and environmental challenges for the benefit of people and planet”.

The production of a social enterprise and innovation Toolkit was identified by the Social Planning Council as a useful and necessary tool that has the potential to promote community economic development in Kingston. Furthermore, it can serve as a practical resource that is simple to implement by the user. Because the Toolkit is a digital document, it can be easily distributed to various organizations and communities in the larger Kingston census area. Most importantly however, the Toolkit is specifically geared towards

establishing a social enterprise. Therefore, the tools and resources provided reflect the fundamental differences between a socially minded venture and a conventional business. In order to achieve this, the project team constantly asked themselves: ‘how do the requirements for tools and methods for establishing a social enterprise differ from that of conventional business’ and ‘what does this mean for Kingston?’

Ultimately, the project team hopes that the content offered within this Toolkit will be used and drawn upon by a mix of people, but ultimately it is intended for use in Kingston. The project team captured this vision in a statement of purpose, which states:

“This toolkit aims to provide tools for new and existing social enterprise initiatives in the City of Kingston through the facilitation of community: networking, communication, skill-building and collaboration. It is not intended to offer solutions. Instead, it offers techniques, methods, tips and worksheets to steer organizations through a process that gives voice to the community. Implementing the tools in this guide will assist and foster a sustainable and inclusive community that works towards a common goal”¹.

The following sections within the toolkit were identified as the most important in establishing a social enterprise within Kingston.

GETTING STARTED provides a variety of tools that have the user identify needs and/or wants within Kingston that could be satisfied with a product and/or service. This section also helps an emerging social enterprise identify goals and objectives.

A **FEASIBILITY STUDY** is important regardless whether you are a conventional business or a social enterprise. Before going any further into creating a social enterprise, the social entrepreneur must know whether or not the idea (product and/or service) is feasible.

¹ Adapted from International Development Enterprise Organizations. (2011). *Human Centered Design Toolkit*, Second Edition. Accessed September, 29 2011, from: <http://www.ideo.com/work/human-centered-design-toolkit/>

Identifying stakeholders, securing financing and funding, classifying your social enterprise, and conducting a market analysis will ensure that the social enterprise idea is viable.

Before moving forward to a **SOCIAL BUSINESS PLAN**, the social entrepreneur must incorporate the social enterprise. This will depend on the classification of the social enterprise (i.e. not-for-profit, co-operative), which would have been identified in the feasibility study. The Not-For-Profit Corporations Act and The Co-operative Corporations Act will also to a certain extent dictate the **GOVERNANCE** structure of your social enterprise. The **SOCIAL BUSINESS PLAN** is what you can bank on. When going into a bank to receive financing for your start up capital, it is important to have a well-informed social business plan. Your business plan will include information about the day-to-day operation of your social enterprise, its financial structure, human resources plan, business overview and many more elements.

IMPLEMENTATION of your social business plan is important. The implementation section provides tools and resources on how to implement the social business plan. Developing a comprehensive work plan is but one important element to ensuring you follow through with your social enterprise and stay on track. Having a detailed implementation plan is an element that entrepreneurs tend to over look, which can lead to hardships and sometimes failure when establishing and maintaining your social enterprise.

Lastly, the **MONITORING AND EVALUATION** of your social enterprise ensures that you are on the right track in terms of reaching out to the community and your targeted consumer group (as identified in the feasibility study). Measuring the performance of your social enterprise in terms of your goals and objectives will help you stay on track and identify areas for improvement.

This Toolkit has the potential to have a positive impact on Kingston and the surrounding area, in more ways than one. Firstly, it may encourage the establishment of more social enterprises in Kingston, a city that has been identified as a community that could benefit from *more* social entrepreneurship. Secondly, because social enterprise has the potential to

promote community economic development the Toolkit can help facilitate increased economic activity in a way that has the potential to enhance the quality of life of community members. Finally, the promotion of social enterprise puts ‘people’ first and has the potential to make Kingston a more inclusive place within which the voice of the community can be heard.

That said none of the wonderful outcomes listed above could eventuate if several key steps are not taken. In order to ensure this Toolkit can realize its full potential the project team has formed several recommendations. These are listed below:

1. The Social Planning Council of Kingston and District to formally adopt this Toolkit as a resource;
2. The City of Kingston to recognize and support social enterprise and innovation in Kingston through endorsing this Toolkit;
3. The Toolkit to be disseminated by: the Social Planning Council, Social Enterprise and Innovation in Kingston (SEIK), the City of Kingston and municipalities within the larger census area, and other relevant business groups and resource hubs. This will help ensure that the Toolkit can be accessed by a wide variety of current and prospective social entrepreneurs;
4. The creation of a supportive network in Kingston made up of social entrepreneurs, established businesses, business schools (Queen’s University and St Lawrence College), academic institutions and the Social Planning Council. The network could draw on the tools presented in this Toolkit and provide support, advice and inspiration to each other; and
5. Finally, the project team wishes to stress the notion that the development of a social enterprise and innovation Toolkit is a continual development process. Therefore, it is advised that this Toolkit be considered the First Edition. The contents should be revised on an annual basis to ensure the Toolkit compliments the current economic, social and environmental conditions of Kingston.

ACKNOWLEDGEMENTS

The project group responsible for developing this Toolkit would like to first thank their client and mentor, Mr. David Jackson, with the Social Planning Council of Kingston and District. His experience, expertise and time provided the group with invaluable resources that contributed to the successful completion of the Toolkit.

The project group would also like to thank their professors, Dr. Leela Viswanathan and Dr. Patricia Collins, for their support and guidance throughout the development process. The group is extremely grateful for their encouragement and constructive advice.

Finally, the project group would like to express their deepest thanks to those who participated in the focus group and to those who attended the final presentation. The feedback received at both of these events proved very valuable and informed much of the content in the Toolkit.



From left to right: Megan Jones, Claire Lindsay, Fran Willes, Amy Doyle, Jennifer Gawor, Jennifer Wood, David Jackson, Leela Viswanathan, Patricia Collins (missing).

1.0. INTRODUCTION



Source: Bloomberg, 2011

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Close - up	
Before you start this section we suggest...	<ul style="list-style-type: none"> • Finding a comfortable place to sit
Key words and terms	<ul style="list-style-type: none"> • Social enterprise • Social business • Social entrepreneur • Social innovation • Not-for-profit organization • Charitable organization • Co-operative organization • Triple bottom line
What this section will cover	<ul style="list-style-type: none"> • Understanding social enterprise and innovation • Forms of social enterprise and innovation • A brief history • Social enterprise in Kingston
What you will need to complete this section	<ul style="list-style-type: none"> • A general understanding of your social interests and resources

1.1. THE BASICS

UNDERSTANDING SOCIAL ENTERPRISE

Although social enterprise can be defined in many ways, it is essentially a form of community economic development in which an organization exchanges services and goods in the market as a means to realizing its social objectives or mission.

The Government of Canada defines social enterprises as “...run like businesses, producing goods and services for the market economy, but manage their operations and redirect their surpluses in pursuit of social and environmental goals”².

Social enterprises are run as a regular business, but with second (social) and sometimes third (environmental) bottom lines. Returns are measured not just in terms of dollars, but also on societal impact (e.g. number of jobs created for the marginalized, number of people no longer relying on the social safety net, increase in number of contributing taxpayers)³.

IMPACTS OF SOCIAL ENTERPRISES⁴:

- Fill niches that the market does not meet
- Promote innovation
- Enhance the delivery of social, environmental, and cultural services
- Support the sustainability of not-for-profit organizations

Tip! See section 2 for strategies for deciding whether this is the sort of venture you would like to pursue.

² Ontario Social Economy Roundtable. (n.d.). *We mean business. And a lot more.* Accessed October 26, 2011, from <http://www.oser-treso.org/>

³ BC Centre for Social Enterprise. (2011). *Social Enterprise.* Accessed October 19, 2011, from <http://www.centreforsocialenterprise.com/profit.html>

⁴ Ontario Social Economy Roundtable, n.d.

- Stimulate local job creation and skills development
- Promote economic growth and neighbourhood revitalization
- Support an inclusive economy that provides employment and training opportunities for marginalized individuals

FORMS OF SOCIAL ENTERPRISE

- **FOR PROFIT:** these ventures share an intent, usually from the moment they are founded, to create social or environmental value for the community in addition to making a profit for shareholders and owners⁵. Social innovation is often the key aspect associated with this type of venture.
- **NOT-FOR-PROFIT ORGANIZATION:** these businesses sell goods or provide services in the market for the purpose of creating a blended return on investment, both financial and social. Their profits are returned to the business or to a social purpose, rather than maximizing profits to shareholders⁶.
- **CO-OPERATIVE ORGANIZATION:** an organization owned by the members who use its services or are employed there. Co-operatives can provide virtually any product or service⁷. Examples include housing co-operatives, worker co-operatives, and food co-operatives.
- **CREDIT UNION:** these enterprises open accounts, complete transactions, accept deposits, offer business services, and much more. As member-owned co-operatives, local credit unions operate under the philosophy that everyone deserves an

⁵ Clark, C.H., & Ucak, S. (2006). RISE for-profit social entrepreneur report: Balancing markets and values. Accessed October 23, 2011, from <http://www.riseproject.org/whattype.html>

⁶ Enterprising Non-Profits. (n.d.). *The definition of social enterprise*. Accessed October 26, 2011, from <http://www.enterprisingnonprofits.ca/what-social-enterprise/definition-social-enterprise>

⁷ Canadian Co-operative Association. (2008). *What is a co-operative?* Accessed October 23, 2011, from http://www.coopscanada.coop/en/about_co-operative/about_co-ops

opportunity to achieve financial well-being and that working together, cooperatively, works for the good of all⁸.

- **CHARITABLE ORGANIZATION:** All charities are not-for-profit organizations, but not all not-for-profit organizations are charities. Being a registered charity means that the organization can issue official receipts for income tax purposes, to donors. Being a registered charity also means that the organization can accept grants from other registered charities and other ‘qualified donees’⁹.

In Section 4, conducting a Feasibility Study, these definitions will be further explained, as it is during this process that you will determine which form of social enterprise your venture will become.

WHO CAN START A SOCIAL ENTERPRISE?

Every individual or group that picks up this Toolkit will be starting the journey of becoming a social enterprise at a different point. Your current level of experience or the stage of your enterprise development will determine where you will start. For instance, the starting point for a group that is exploring ideas for the first time will be different from a group that has already identified their product or service. Despite these differences, this Toolkit will be relevant and helpful to you or your group in some way. But first you need to identify whether you are:

⁸ Credit Union Central of Canada. (2010). *The credit union difference*. Accessed October 23, 2011, from <http://www.cucentral.ca/HistoryAndPhilosophy>

⁹ BC Centre for Social Enterprise, 2011

Table 1.1: Identifying your Group

<p>An individual?</p> <p>For example:</p> <ul style="list-style-type: none"> • An entrepreneur who want to start something that will benefit the community • A concerned citizen who sees a gap or a need that should be addressed 	<p>An organization?</p> <p>For example:</p> <ul style="list-style-type: none"> • A local council • A community organization • A school
<p>A collective of interested people?</p> <p>For example:</p> <ul style="list-style-type: none"> • A volunteer committee or taskforce • A loosely affiliated group of community members 	<p>A facilitator?</p> <p>For example:</p> <ul style="list-style-type: none"> • An economic or community development worker <p>Source: Dunn et al., 2007</p>

HOW DOES THIS TOOLKIT HELP?

INDIVIDUAL

This Toolkit will provide you with strategies too help you identify others who can provide you with support throughout your social enterprise development process.

ORGANIZATION

If you start this process as an organization, you probably have a clear mission underlying your interest in social enterprise. Use this Toolkit to guide your organization through the enterprise development process.

GROUP

If you are a group, either formally affiliated or not, this Toolkit will help you come to a common agreement on your main focus and identify others who may assist you to start up an enterprise.

FACILITATOR

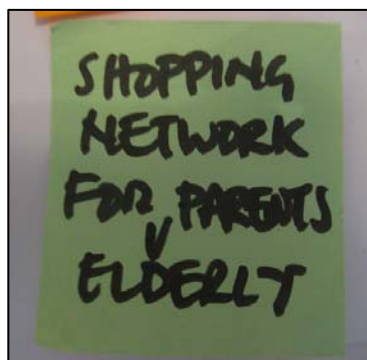
This Toolkit will provide a framework for you to work through with an identified community or group.

UNDERSTANDING SOCIAL INNOVATION

Generally speaking, social innovation is an idea that works for the public good. More specifically, it refers to new ideas that can resolve existing social, cultural, economic and environmental challenges for the benefit of people and planet¹⁰.

At the heart of innovation is an idea. Sometimes an idea can emerge from a deliberate and rigorous process, while sometimes it is a response to an emerging or pressing community need.

Tip! Section 3 provides some useful exercises for generating ideas for your social enterprise.



Source: Social Innovation Camp, n.d.

Figure 1.1: Idea Generation

FORMS OF SOCIAL INNOVATION

¹⁰ Centre for Social Innovation. (n.d.). *Social innovation*. Accessed October 26, 2011, from <http://socialinnovation.ca/about/social-innovation>

Social innovation comes from individuals, groups or organizations, and can take place in the for-profit, not-for-profit, and public sectors¹¹. Some examples include:

PROJECT WILDFIRE

This initiative supports social entrepreneurship among youth in Toronto's diverse communities. Project Wildfire is a competition to identify sustainable small businesses with high potential for making change¹².

TECHSOUP CANADA

Not-for-profit and charitable organizations suffer from a lack of resources and expertise when it comes to technology. TechSoup is a solution to this challenge, facilitating low-cost access to new software for those organizations that need it most¹³.

STEPS

Sustainable Thinking and Expression on Public Space blends arts and activism to produce public space "activism". Through various artistic interventions, STEPS asks citizens to become active co-creators of the communities they inhabit, working together to create the future they imagine¹⁴.

MUSICMATES INC.

This is a not-for-profit organization in Kingston designed to bring social interaction opportunities to people with social and special needs through the use of music¹⁵.

HISTORY OF SOCIAL ENTERPRISE AND INNOVATION

¹¹ Ibid., n.d.

¹² Ibid., n.d.

¹³ Ibid., n.d.

¹⁴ Ibid., n.d.

¹⁵ MusicMates Inc. (2011). About. Accessed November 3, 2011, from http://musicmatesinc.com/?page_id=19

PRIVATE SECTOR SOCIAL ENTERPRISE FORERUNNERS¹⁶:

- **1890s**: The Carnegie Model – Arm's length philosophy of philanthropic development
- **1910S-1920s**: The Rosenwald Model – Long-term market development
- **1960S-1980s**: The Norris Model – Direct engagement; addressing the major unmet needs of society as profitable business
- Emergence of physical social enterprises during the **1970s** (i.e. early childhood learning centres, low-income housing, hospice care, tutoring centres, home care for the elderly)

NOT-FOR-PROFIT SECTOR SOCIAL ENTERPRISE FORERUNNERS¹⁷:

- **1844**, Rochdale Pioneers, England: Suffering at the hands of exploitive factory owners and shopkeepers who charged extortionate prices, 28 working men pooled their funds to open a shop. This marked the beginning of the modern co-operative movement in the English-speaking world.
- **1884**, Chicago, U.S.: Jane Addams establishes Hull House, which provided innovative social, educational and artistic programs
- **1895**, Boston, U.S.: Goodwill Industries. First thrift store whereby unwanted household goods were collected and repaired by impoverished immigrants. Revenue from the sales paid the workers' wages.
- **1938**, Washington, D.C.: Wagner-O'Day Act. Became first in a series of legislative actions to provide employment opportunities for people with severe disabilities.
- **1956**, Mondragon, Spain: Mondragon Corporacion Cooperativa. Currently the world's largest social enterprise by annual sales and size of staff.

¹⁶ Institute for Social Entrepreneurs. (2008). *Evolution of the social enterprise industry: A chronology of key events*. Accessed October 30, 2011, from <http://www.socialent.org/Resources.htm>

¹⁷ Ibid., 2008.

- **1973**, Chicago, U.S.: Social activism in the banking industry (e.g. North Shore Credit Union¹⁸).

Despite the above mentioned models and examples, it is only in the last 15 or 20 years that academics, practitioners, and donors have been studying and recording cases of not-for-profit organizations adopting market-based approaches to achieve their mission. The growing practice of social enterprise is fueled by not-for-profit organizations' quest for sustainability, particularly in current times when support from traditional, philanthropic, and government sources is declining and competition for available funds is increasing¹⁹.

1.2. KINGSTON CONTEXT

SOCIAL ENTERPRISE IN KINGSTON

Kingston currently offers a diverse range of social enterprises that create a blended return on investment, both financial and social. These range from not-for-profit organizations (e.g. Cataraqui Archeological Research Foundation), to co-operative organizations (e.g. The Sleepless Goat) and more. When thinking of starting your own social enterprise, be sure you know what already exists in and around Kingston. Appendix A provides a list of examples of social enterprises currently operating in Kingston.

¹⁸ North Shore Credit Union. (2011). *About us*. Accessed November 20, 2011, from <https://www.nscu.com/AboutUs/>

¹⁹ Dawans, V., & Alter, K. (2009). *The four lenses strategic framework: Toward an integrated social enterprise methodology*. Accessed October 26, 2011, from <http://www.virtueventures.com/resources/4lenses>

KINGSTON IS A COMMUNITY THAT WOULD BENEFIT FROM SOCIAL ENTERPRISE AND INNOVATION

Whether you are hoping to create a social enterprise based on an innovative idea or product, or you are trying to address a need in the community, Kingston is an ideal place to set up shop. For one thing, there are investors who are present and willing to invest in viable and exciting social enterprises and innovation.

Although Kingston is a thriving, vibrant city, there are disadvantaged populations and areas within the community that would benefit from the kinds of services and products social enterprises can offer. Kingston's Deprivation Index points to the presence of folks in the community with the inability to participate fully in Canadian life due to structural inequalities in access to social, economic, political, and cultural resources²⁰. The Deprivation Index may be a useful document for individuals and groups generating ideas to address needs in the community using a social enterprise.

THE SOCIAL PLANNING COUNCIL OF KINGSTON

The Social Planning Council (SPC) of Kingston and District is a not-for-profit, non-government organization and registered charity that raises awareness about social needs in Kingston and Area. SPC engages citizens and community partners in planning and action on social needs that will improve the well being of the whole community. Individuals and groups using this Toolkit may find the SPC a valuable resource during the process of developing a social enterprise, as this organization helps facilitate, co-ordinate, and advocate for positive social change.



²⁰ Kingston Community Roundtable on Poverty Reduction. (2010). *Deprivation index*. Accessed November 2, 2011, from <http://www.kingstonpovertyreduction.ca/>

1.3. RESOURCES

Organization/Resource	Description	Location
BC Centre for Social Enterprise	Definitions; resources	http://www.centreforsocialenterprise.com/index.html
Canadian Co-operative Association	Developing a co-operative; research and education; information and resources	http://www.coopscanada.coop/
Credit Union Central of Canada	Policy and issues; facts and figures	http://www.cucentral.ca/policyissues
Enterprising Nonprofits	Definitions; toolkits; resources; grant information	http://www.enterprisingnonprofits.ca/
Institute for Social Entrepreneurs	Publications and podcasts; seminars, workshops and coaching; terminology; resources	http://www.socialent.org/
Social Planning Council (SPC) of Kingston and District	Community support, resources, networking	http://www.spckingston.ca/index.html
Kingston Community Profile 2009	Socio-demographic analysis of Kingston	http://spckingston.ca/kcp/Kingston_Community_Profile_SPC_2009-05-28_BW.pdf

Re - cap	
By now you should...	<ul style="list-style-type: none"> • Have an understanding of what it means to be a social enterprise and the forms it can take • Identify whether you are an individual, organization, group, or facilitator • Begin to identify how your ideas could benefit Kingston
In the next section you will...	<ul style="list-style-type: none"> • Learn about the purpose of this Toolkit • Identify whether this Toolkit is right for you • Learn how to navigate this Toolkit

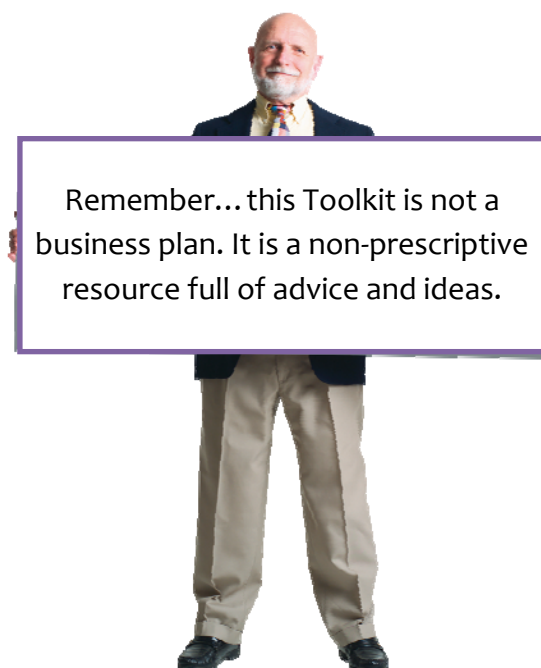
2.0. ABOUT THIS TOOLKIT



Source: Bloomberg, 2011

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Close - up	
Before you start this section we suggest...	<ul style="list-style-type: none"> • Getting excited about the possibilities offered by social enterprise
Key words and terms	<ul style="list-style-type: none"> • Toolkit: This document you are reading is full of tools and resources to assist you in establishing your social enterprise • Map: Your guide to the contents of each Section
What this section will cover	<ul style="list-style-type: none"> • Why it was decided that a Toolkit and not a traditional Business Plan Guide was appropriate • What is the purpose of this Toolkit? • The different kinds of individuals and organizations that can use this Toolkit • The format of this Toolkit • A map to the Toolkit



2.1. WHY A TOOLKIT?

The nature of social enterprise and innovation, and any business for that matter, is completely unique. It is unique to the particularities of the business venture, and the ambitions, desires and needs of the individual entrepreneur. It is because of these inherent complexities that the developers of this document decided to develop a Toolkit and not a traditional ‘business plan’ or guidance document.

The success of a social enterprise cannot be secured by following a generic ‘three-step’ simplified process or business plan model. The success of any social enterprise is in the hands of the social entrepreneur who initiated it, or dreamt it. There are no set time frames (apart from those dictated by grant applications), consequential steps, or, necessities. Instead there are goals, ambitions, exercises, and fluid processes.

The developers of this Toolkit know that formalizing your ideas and thoughts can be confusing and overwhelming. While you may know your social goal and that there is potential to realize this goal by means of a social enterprise, you may not yet know an appropriate product or service. This Toolkit provides tools, techniques and methods that can help you transform your emerging ideas into a real business venture, providing real products and/or services to the community.

2.2. THE FUNCTION AND PURPOSE OF THIS TOOLKIT

The overriding purpose of this Toolkit is to assist any individual, group or pre-existing organization in their pursuit of realizing their dream of setting up a well-functioning social enterprise that betters the community around them. This Toolkit can help by providing guidance to help you think about and discover for yourself how you might begin developing your social enterprise. It helps you organize your thoughts, as we know people can often feel overwhelmed by all the new ideas and innovations an individual can generate.

We created statement of purpose to fully express what we want this Toolkit to achieve and represent, as detailed below:

“This toolkit aims to provide tools for new and existing social enterprise initiatives in the City of Kingston through the facilitation of community: networking, communication, skill-building and collaboration. It is not intended to offer solutions. Instead, it offers techniques, methods, tips and worksheets to steer organizations through a process that gives voice to the community. Implementing the tools in this guide will assist and foster a sustainable and inclusive community that works towards a common goal”²¹

We wanted this statement of purpose to stress the fact that this Toolkit does not offer solutions, they are for you to discover yourself. While you are using this Toolkit you will be travelling on your own explorative journey. There will be no ‘quick-fixes’, and it will only be through the process of reasoning and review that you will be able to advance your social enterprise and innovation dream. Only you know how best to utilize this toolkit. We will give you the layout and the material, but from there it is up to you.

We encourage you to move throughout this document at your own pace and however you see fit. We want you to move on from a section if you feel it is not helpful, and skip parts you may have already completed prior to picking up this Toolkit.

2.3. IS THIS TOOLKIT RIGHT FOR YOU?

So, you think this Toolkit may have something to offer you and your group or organization? To help you answer this question we have some questions for you to ponder in assessing whether you will be able to utilize the tools and resources offered in this toolkit:

²¹ Adapted from International Development Enterprise Organizations. (2011). *Human Centered Design Toolkit*, Second Edition. Accessed September, 29 2011, from: <http://www.ideo.com/work/human-centered-design-toolkit/>

Below is a list of questions that you can ask yourself in order to assess whether establishing a social enterprise and the use of this toolkit is right for you²²:

**DO YOU WANT TO SEE A CHANGE IN YOUR COMMUNITY AND/OR ENVIRONMENT
AND THINK YOU COULD BE THE ONE TO MAKE THIS CHANGE HAPPEN?**

Social enterprise trailblazers have an interest in social or environmental objectives and obtaining these objectives inspires them as much, if not more, than the challenge of operating a profitable enterprise in a competitive marketplace.

DO YOU HAVE A SOCIAL AND/OR ENVIRONMENTAL CONSCIENCE?

Social entrepreneurs and innovators are responsive to social indicators and notice things about their community that other entrepreneurs may not. They are in touch and aware of the social context around them.

DO YOU WANT DO MORE THAN JUST TO MAKE MONEY?

Owners, managers, employees and volunteers of social enterprises can earn a decent living, but the enterprising venture is not used purely for accumulating personal wealth. This is because the majority of surpluses are reinvested into furthering the social objectives of the social enterprise.

DO YOU LIKE TO DO THINGS DIFFERENTLY?

Social enterprises often break with conventional business models to find new and more sustainable ways of improving the world around them. Instead of looking for ways to purely make profit they focus on ways to make a positive contribution

The questions above are purely to get you thinking about social enterprise and innovation, and the place within these concepts your personal ideals fit. They are designed to make you

²² Questions adapted from Social Enterprise UK. (n.d.). *Why social enterprise?* Accessed November, 2011, from: <http://www.socialenterprise.org.uk/pages/why-social-enterprise.html>

think about yourself, your community and your aspirations and desires. Do not worry if you answered 'no' to some of these questions. If any of these questions resonated within you, we encourage you to keep reading and a fantastic idea may just jump out at you.

CAN AN ALREADY EXISTING BUSINESS USE THIS TOOLKIT?

This Toolkit has been designed in such a way that it can be used by prospective social entrepreneurs and owners of established businesses and organizations that would like to adopt social enterprise philosophies or enterprising behaviours. For example, you may already be the owner of a successful for profit business but you are really interested in finding a way that you can contribute to your community in a meaningful way. This could be done through a service you provide (e.g. affordable day care for single mothers), how you employ and recruit staff (e.g. workers co-operatives, employing a marginalized group), or how you select your suppliers and acquire your products (e.g. fair trade, locally grown produce). Either way this Toolkit can help you not only think of these ideas but also guide you as you work through your journey to become an established social enterprise. You do not have to know what exactly it is you want to change about your current business. If you work through the tools offered in Section 3, 'Getting started', you are likely to come up with a wealth of ideas and ways to incorporate social enterprise and innovation into your business.

HOW DO I USE THIS TOOLKIT?

While we encourage you to utilize the worksheets and tools offered in this Toolkit, the contents are not to be followed like recipe. Just using this Toolkit alone, while it may yield great outcomes, is best when used alongside other approaches. Stay open to other ideas from outside sources. For example, maybe there is a relevant conference you could attend, a pertinent focus group from which you could gain insight; or a website with information that is relevant to what you want to achieve. Above everything, we encourage you to get out and converse with potential consumers and stakeholders. Discover your community; we are sure there are plenty of knowledgeable people who can offer great advice. People are a great

resource that can really help a social enterprise get off the ground and become successful. You can also access local resource hubs for advice and business services. For instance, Kingston Economic Development Corporation (KEDCO) has a knowledgeable team with local experience that can help you get your social enterprise started.

Choose your own mix of methods. We do not expect you to complete every activity and every worksheet. Have a look at each one and determine which one will suit you best. Social enterprises are often established based on a combination of approaches, and this Toolkit provides a diverse range of techniques and strategies to reflect this.

2.4. THE FORMAT OF THE TOOLKIT

The arrangement of this Toolkit is neither linear, nor is it chronological. We urge you to think of this Toolkit as ‘curvilinear’. By curvilinear we mean there is no set direction or straight path for you to follow in order to start up your social enterprise. The nature of social enterprise and innovation is flexible; therefore, to complement this we have made this Toolkit flexible in nature and design.

You will notice that at the beginning of each section there is a Section “Close-Up”. Each Close-Up provides a brief overview of the key elements that are to be covered. The Close-Up can help you determine whether you are prepared to move on to the next stage of your journey, as it lists the steps or procedures that should be completed prior to continuing on into the subsequent section. At the conclusion of each section is a Section “Re-Cap”, which provides a quick summary of what has been covered, and what is to come.

Further to this, we know that the processes followed by social enterprises are rarely straight and never narrow. The image below displays the curvilinear process your SEI journey may take:

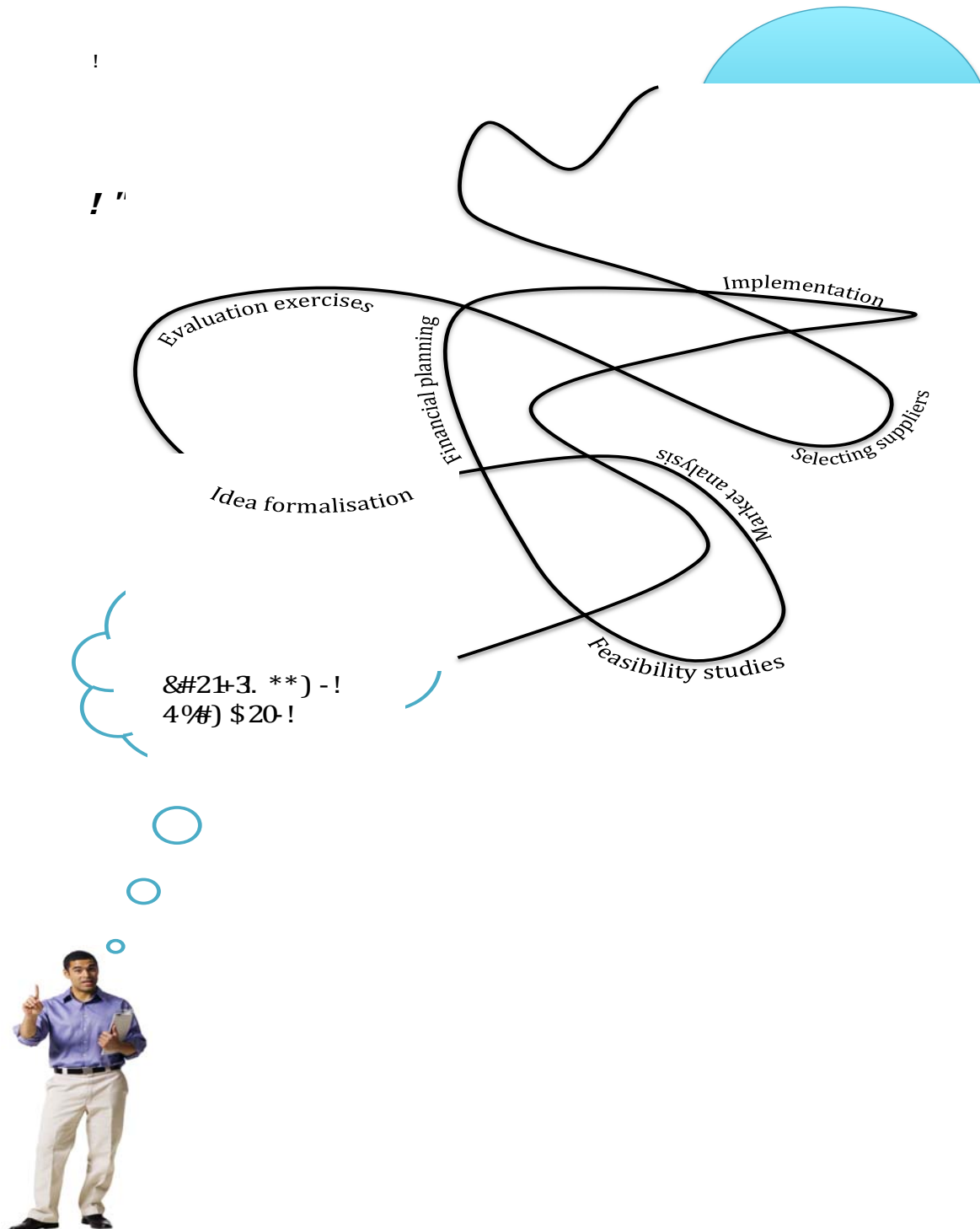


Figure 2.1: The Curvilinear Journey of Establishing a Social Enterprise

2.5. A MAP OF THE TOOLKIT

This Toolkit outline is to be used like a handy map that will assist you in navigating your way around the Toolkit's contents. The map will enable you to find the information you need most. If you want a complete overview of the process, you can read the complete document. However, if you are at a particular stage in the process – for example, deciding what kind of governance structure your social enterprise should take, or preparing for incorporation– you can simply refer to the relevant section. This Toolkit is *your* Toolkit, and establishing a social enterprise is *your* personal journey so we want you to pave your own road.

Although the sections of the Toolkit have been laid out in a linear fashion, it is important to keep in mind that you, the user, may find it useful to go back and forth between the sections. While we have outlined each of the sections in a way that indicates the natural progression suited for establishing a social enterprise, we understand it is not always a straightforward journey for a social entrepreneur. Thus, you may need to alter your course of action in a way that deviates from the order in which this Toolkit is structured.

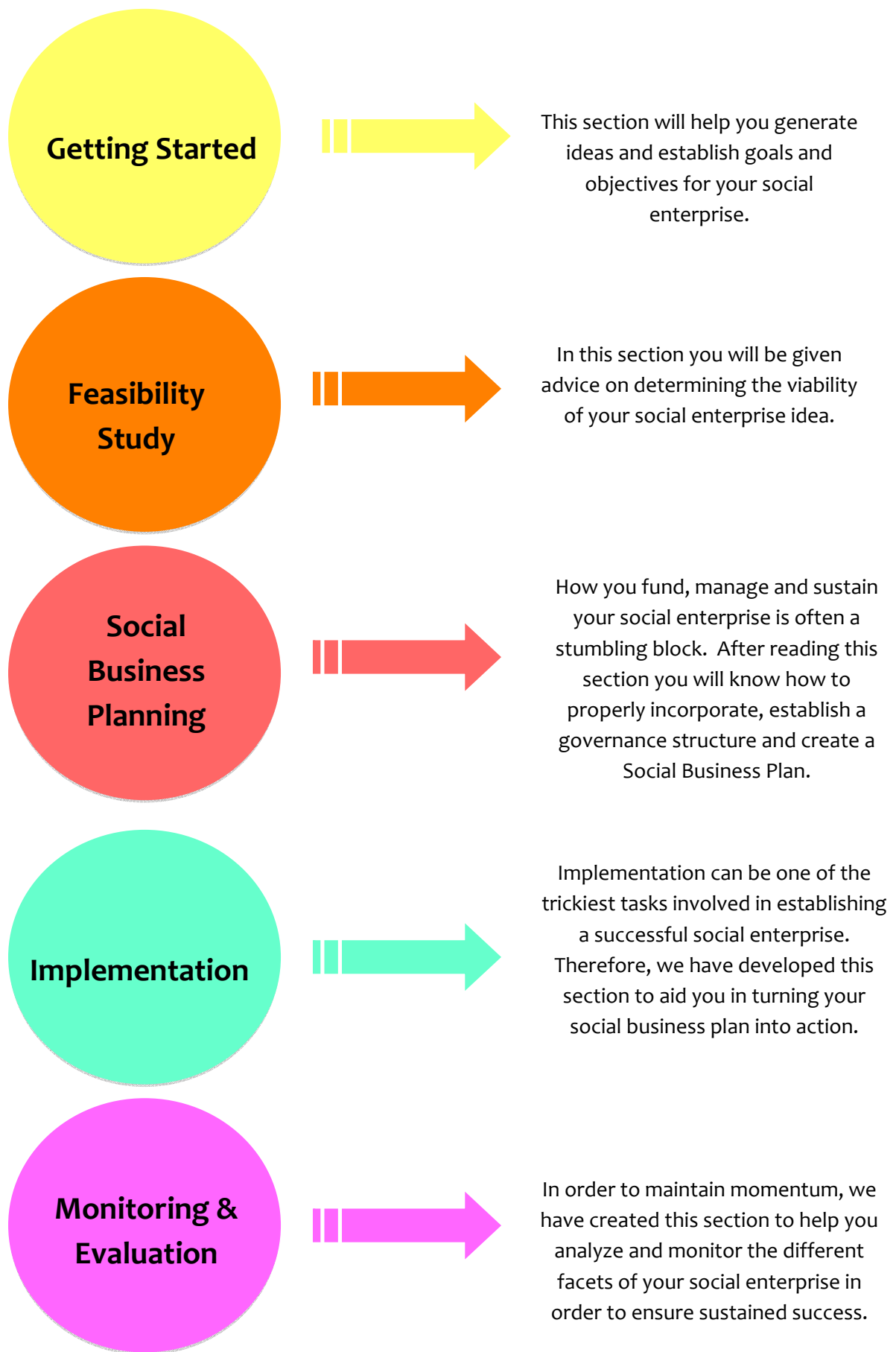


Figure 2.2: Map of the Toolkit

2.6. THE HYPOTHETICAL NARRATIVE

You will notice that this Toolkit contains a hypothetical narrative that will enable you to develop insight into the experiences of an emerging social enterprise by showing how this fictitious venture might utilize the Toolkit. Please think of it like more like a storybook and not a best-case scenario. We have developed this narrative to illustrate what an emerging social enterprise might experience in terms of potential challenges, decisions and processes. Occasionally, you will also see the narrative illustrated in some of the tools and worksheets.

Below is an introduction to the plot and the characters of the Toolkit narrative.

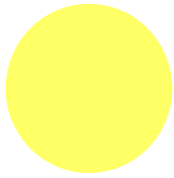
It was the year 2011, and two twenty-two year old students were approaching the end of their study at Queen's University in Kingston, Ontario. The names of the students were Bob and Sue. He is from Athens, Ontario while she is from Sudbury, Ontario. Bob is about to graduate with a Bachelor of Arts and Sue with a Commerce degree. They met each other in their first year in residence and would often spend their weekends exploring Kingston and the surrounding area.

Both Bob and Sue had really enjoyed living in Kingston and found it had a lot to offer. They felt very connected to this close-knit community. When they first arrived in first year however, it took Bob and Sue a long time to feel fully comfortable navigating all of the stores, services and social activities Kingston had to offer, as there was not a lot of guidance or resources available for new students.

Now fully accustomed to life in Kingston, Bob and Sue discussed how they both would like to stay once they finished their degrees. In doing so, they wanted to make sure other students and new residents moving to Kingston would be informed of the local resources, services amenities and networks available, information that Bob and Sue so badly wished was available when they first arrived in Kingston.

Re - cap	
By now you should...	<ul style="list-style-type: none"> • Feel comfortable about using this Toolkit and know how to find your way to and around each of the sections. • Know that this Toolkit should be used in a way that you see fit. • Know whether this Toolkit is suitable for your idea, innovation, current business structure or the changes you want to make. • Understand that this Toolkit can be used as a start-up tool for people who want to get their social enterprise dream off the ground or by existing enterprises to complement or refresh their business activities.
In the next section you will...	<ul style="list-style-type: none"> • Begin to explore ways of identifying your goals and ambitions • Start to generate and organize your ideas and thoughts • Complete a visioning session to create a statement of purpose • Start your social enterprise or innovation journey

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3.0. GETTING STARTED



Source: Bloomberg, 2011

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Close - up	
Before you start this section we suggest...	<ul style="list-style-type: none"> • You begin to think about what you want your social enterprise to achieve • You be prepared to get creative and document your ideas • You get inspired!
Key words and terms	<ul style="list-style-type: none"> • Community • Research • Information & data • Statement of purpose • Exploring • Brainstorm • Create • Resources • Stakeholders • Prioritization
What this section will cover	<ul style="list-style-type: none"> • Assessing your starting point • Discovering the idea: What are you passionate about? • The vision or statement of purpose • Thinking about local resources & support networks • The game plan: Formulating and developing your idea
What you will need to complete this section	<ul style="list-style-type: none"> • A community or area of interest • Access to information and data • Knowledge of resources and stakeholders • Group members (if working with others)
Worksheets for this section	Information & Inventory Checklist

3.1. BEGINNING THE PROCESS

Congratulations! You now are ready to begin creating ideas and concepts for your social enterprise. You are probably asking yourself, “Where do I begin” and/or “How do I begin”? The endless possibilities and directions your social enterprise could take may overwhelm you. So how do you cope with the tasks involved? While there are many avenues for creative direction, it is best to start with basic idea generating activities to build your social enterprise step-by-step. The aim of the Getting Started section is to help generate an idea and provide direction on turning said idea into a viable business opportunity. This section also aims to help you create parameters and scope while identifying the resources you will need. Getting Started is integral to the short and long-term success of your social enterprise. When you have a solid foundation, the other elements of your social enterprise will fall into place with increasing ease and fluidity.

Although Bob and Sue both eventually became accustomed to living in Kingston, they recognized that the process of meeting new people and finding local amenities and services was extremely challenging when they first arrived in this new city. Therefore, they decided that they wanted to create a Social Enterprise in Kingston that addressed this issue; a supportive resource hub and network for new students to Kingston. After a long discussion, they decided to call their Social Enterprise “Kingston Connection”.

3.2. ASSESSING YOUR STARTING POINT

WHERE DO YOU STAND IN YOUR COMMUNITY, AND WHAT DO YOU KNOW ABOUT YOUR COMMUNITY?

Before you begin to brainstorm ideas and concepts, and even before you begin to start delving into multitudes of information and data about your community, take a moment to ask yourself, “where do I currently fit into my community” and “where do I want to fit into my community”? To begin, start to ask yourself or your group a series of questions about your social environment and how you fit within it. Ask yourself and/or your group questions such as:

- What interests me in my community?
- What do I want to see in my community?
- What could be different about my community?
- What goods and services are needed in my locality?
- What social enterprises already exist in my community?
- How do I want to involve local stakeholders?
- What do I want to know about my community?²³

BACKGROUND RESEARCH

Now that you have personally identified some of the characteristics and opportunities within your community, it is a good idea to also conduct some background research in order to more objectively identify local conditions. Commonly held notions of how a community operates can be quite different in reality. What you want at this point is a thorough understanding of the context and history of your community. Conducting this step will help

²³ Dunn, A., et al. (2007). *Community Enterprise Workbook*. Accessed September 20, 2011, from <http://www.socialtraders.com.au/social-enterprise-tools>

ensure that your social enterprise ideas, goals and objectives accurately reflect the needs and wants of your community. Furthermore, the information and data collected may prove useful in the future development of your social enterprise.

Collecting information can be a fun and interesting activity. Essentially, you are exploring your environment. There are plenty of places to find information and data about your community, and plenty of ways of going about obtaining that information and data. At this point, it is advised that you and/ or your team collect all the information and data that you can about your community, and do not discriminate. The goal is to create a large inventory that you can draw from now, and in the future.

If you are having difficulties in creating an inventory checklist, here are some possible activities to help you and/or your team collect the information and data that is needed to create your social enterprise:

- Collect news articles about the community
- Read about the community's history
- Talk to existing stakeholders and community members
- Take pictures
- Visit new areas in your community
- Visit your City Hall and/or Library
- Visit Statistics Canada, particularly neighbourhood and ward profiles on the Internet
- Contact your local University/ College for information and data on your community
- Visit a local community centre
- Learn existing social enterprises in the area and what was involved in their development
- Consider potential obstacles you might face, and possible solutions
- Attend public meetings and forums

At this point you should have a better idea of what your community has to offer, and a better understanding of the dynamics of your community.

ORGANIZE THE INFORMATION AND DATA INTO A SYSTEM YOU CAN USE

After collecting background information on your area of interest, organize it and begin to make sense of it all. Synthesize your findings, and come to some general conclusions about the community in which you would like to establish a social enterprise. The goal of this activity is to create an organized system that allows you to efficiently draw upon information and data for your social enterprise.

There are multiple methods to organize and categorize the information you have gathered. If you are getting a sense of already existing businesses and social enterprises for example, categories may include:

1. Service(s) & product(s)
2. Concepts & ideologies
3. Topic or subject
4. Stakeholders & resources

Be sure to categorize and organize any other information you have collected. Now that you have created a categorical system for your information and data, organize it and store it for efficient and accessible use in the future. The following are possible ways to store information and data:

1. Make hardcopy files and put them into a filing cabinet
2. Store in labeled binders, notebooks, scrapbooks, and/ or folders
3. Create a computer file on your laptop/desktop
4. Create a rolodex of stakeholder and community resource contacts
5. Create a data CD



Tip: Back-it-up!

Be sure that you always back up your information and data. You can do this on an external hard drive or make copies on data CDs. If you are handling sensitive and/or confidential information, it is advised to store that information and data in a locked filing cabinet.

3.3. DISCOVERING THE IDEA: WHAT ARE YOU PASSIONATE ABOUT?

GENERATING YOUR SOCIAL ENTERPRISE IDEA

Now that you are familiar with your community and have identified opportunities for social and/or economic development, you can begin to generate ideas for addressing a community need that interests you. For example, your research may have identified a need for more employment opportunities for youth, so you begin brainstorming social enterprise ideas that would provide jobs for young people. There are many ways to generate ideas, but finding the right strategy is key in successfully identifying an appropriate idea to meet a need in your community. Many people find brainstorming to be an effective method. Brainstorming is characterized as an informal, casual, and tangential approach to problem solving. The ideas generated can be intimately or loosely related to the topic at hand, and can be as extravagant or simple as you and/ or your team can conceive. Brainstorming allows you to consider both hypothetical and realistic situations while inspiring and exercising creativity. Brainstorming can be executed on an individual basis, or in a group setting for a wider range of results.

The purpose of brainstorming in the context of developing a social enterprise is to help you identify a service or product that might fill a need in the community as identified in your earlier research. As previously mentioned, brainstorming can be undertaken by an individual or in a larger group. Both of these brainstorming settings have advantages and shortcomings:

Table 3.1: Individual and Group Brainstorming

	Concept	Pro's	Con's
Individual	Wherein one person spends time unpacking their imagination and thoughts on a topic of their choosing.	On average, individual brainstorming sessions usually produce a more diverse and wide ranging ideas and concepts.	The individual may not develop ideas as fully as they may not have the experience that a larger group would have to draw from.
Group	Wherein a small to large group of people gather with a vested interest in generating an array of ideas and concepts on a chosen topic.	The more the merrier: a group can bring the full creative experience of many people together to derive idea(s) that support your topic(s). In addition, a group can also help foster teamwork.	As in any group situation there may be negative group dynamics during idea generation, and an overly critical element that can block the organic flow of idea generation. Be sure that your group is not too large, as it will dilute the structure of the session. A group of 5-7 people is ideal.

Source: MindTools, 2011

After you have decided whether you will be brainstorming on an individual or group basis, begin generating ideas of the product and/or service you hope to produce and exchange by means of a social enterprise. Here are some techniques you may find helpful (a description of these techniques and how they are used can be found in the Glossary of Terms).

INDIVIDUAL:

- *Mind Maps*

GROUP:

- Brainwriting
- Crawford's Slip Approach
- Starbursting
- Charette
- Round-Robin Brainstorming

Now you should have an idea of the product and/or service you plan to deliver to the community. Additional questions you may want to ask yourself at this point include:

- How do I involve local stakeholders?
- Will my prospective social enterprise provide opportunities for participation and engagement?
- Will my prospective social enterprise provide employment opportunities?
- Will my prospective social enterprise educate people?
- Will my prospective social enterprise be environmentally sustainable?



Tip: Other Ways to Generate your Idea!

Try inspiring yourself by doing something creative like sketching, writing, dancing, making music etc. Talk to people of interest. Use people as a sounding board for your idea and discuss your concerns with them.

3.4. STATEMENT OF PURPOSE

CREATING A VISION

Developing a statement of purpose is an integral step in establishing a social enterprise. The statement of purpose articulates your social enterprise's purpose for both those in the organization and the public and acts as a catalyst that facilitates goal setting and planning. Furthermore, it unleashes energy, solidifies core beliefs, and aligns people and activities. In other words, a statement of purpose provides a destination for the future of your social enterprise.

A visioning session will be the most time-consuming portion of the Getting Started section; however, it is an important exercise in developing your statement of purpose. You should involve all group/organization members and any stakeholders you have identified thus far. Below are a number of steps that will help direct you through a visioning session²⁴:

LOGISTICS:

- Determine who will be involved in the visioning session
- Identify questions and discussion topics that will help generate ideas
- Determine where will you be holding the visioning session
- Determine when will you be holding the visioning session

SET-UP:

- Identify materials you may need (e.g. writing materials, flipcharts, post-it notes, white board and markers, background research material, drawings, etc.)

²⁴ MindTools, (2011).

- You may want to assign seating arrangements to help with the group dynamic

EXECUTION

- In a group setting, the goal during the visioning session is to energize the team, gain commitment, provide direction, and foster an environment that is creative and friendly
- Set aside a large chunk of time for the visioning session, and if needed you can split it into two sessions
- Have the group identify key words and phrases that reflect what the prospective social enterprise aims to achieve (i.e. goals, vision, purpose)

SYNTHESIS:

- Take the key terms and ideas from the previous step and define them. Relate them back to your social enterprise idea.
- Look for patterns within the terms and ideas and start to organize them into key themes
- If in a small group setting, work as a group to piece together key words, ideas and themes into one or several sentences that make up the statement of purpose
- If in a larger group setting, assign one trusted group member to take the information provided in the visioning session and produce the statement
- Present the written vision statement when the group convenes in the review stage to edit accordingly

REVIEW:

- Be sure to review what you have produced on a later date. Doing so allows the group to identify any terms or ideas that are missing or unfitting.

PITFALLS:

- Be advised that not all groups will function diplomatically and collaborate in a cooperative manner. You must address negativity in the group in a constructive way, and be sure that each member feels as though they have been heard and respected.
- If planning as an individual you may experience writers block. At this point it is advisable to talk to others who have some experience in your social enterprise idea and engage in a dialogue, as well as use them as a sounding board for your ideas and concepts.²⁵

Bob, Sue, and a small group of students gather to create a statement of purpose for Kingston Connection. As a group, they brainstorm key terms and phrases that reflect what they hope this social enterprise will achieve. Because this is a small group, they are able to collectively piece together a vision for Kingston Connection. Sue facilitates with process. After reconvening at a later date to review the statement previously developed, the group settles on the following statement of purpose:

“Kingston Connection aims to provide support, resources and opportunities to meet new people in the hopes making the process of relocating to Kingston an easy and enjoyable transition for new students.”



Tip: Give Me a Break!

One of the dangers of visioning sessions and brainstorming is burnout. It is important to take frequent breaks to re-energize and relax the team. This will help prevent obstacles such as writer’s block and group disharmony.

²⁵ MindTools., (2011).

3.5. THINKING ABOUT LOCAL RESOURCES AND SUPPORT NETWORKS FOR YOUR IDEA

In order to actualize your statement of purpose you need stakeholders and resources to draw upon. In this stage you will start to think about possible community stakeholders and resources that can compliment and contribute to your prospective social enterprise. The process of identifying resources and stakeholders will be expanded upon in greater detail in the next section, the Feasibility Study, however it is important to begin considering this information now. By creating and maintaining a resource database, you can begin to foster relationships and networks in the community and create a more solid foundation on which to create your social enterprise.

VARIOUS TYPES OF LOCAL RESOURCES CAN INCLUDE:

1. People
2. Services
3. Products
4. Places

Additionally, you should begin to think in terms of the W5H method: who, what, why, when, where, and how to map out local stakeholders and resources for your social enterprise.

Before you as an individual or as a group begin to brainstorm local resources, it is advised that you revisit the statement of purpose that was produced in section 3.4. Doing so will

help to guide you when thinking about which local stakeholders and resources can best support your vision.

BRAINSTORM LOCAL STAKEHOLDERS AND RESOURCES NEEDED TO FULFILL THE GOALS OF YOUR STATEMENT OF PURPOSE

Local stakeholders are the single most important resource a social enterprise can attain. Stakeholders are people who have stake in the local community. They can include residents, local government, business owners, researchers, and enforcement, for example.

Now that you have an idea of who local stakeholders are, the next step is to think about how you can create connections, thereby establishing a network. There are many places to discover community stakeholders. Here are a few examples:

- Community/ recreation centers or hubs
- Community meetings
- Schools and other learning institutions
- Town Hall and other government institutions
- Financial institutions such as banks
- Shelters
- Local businesses
- Law enforcement institutions
- Hospitals and other health institutions
- Other social enterprises within your community

Once you have an idea of where you will begin your search for local stakeholders, begin to narrow the scope of who you would like to involve and why. Ask yourself and/or the group questions such as:

- Who will this social enterprise affect?
- Who would be interested in contributing to this social enterprise?
- Who has the means to successfully contribute to this social enterprise?

Once you have developed an idea of the individuals and/or organizations you want to involve as a local stakeholder in your social enterprise, you must begin to think about how you are going to introduce them and hopefully involve them in your social enterprise.

Different methods you could use to engage local stakeholders are to: extend invitations to group meetings, and if working on an individual basis, invite stakeholder to a conversation. Initiate conversations with stakeholder through phone calls and through letters and emails.

In addition to sketching out the possible stakeholders you may draw upon in the formation of your social enterprise, you must also do the same for local resources. Local resources will help to fuel the longevity and the sustainability of your social enterprise. Resources can take many shapes and sizes. Here are some examples:

- Volunteers
- Financing services and funders
- Community centre spaces

To help you generate ideas on local resources, take a moment to define what your social enterprise needs in order to have both short and long-term success. Use Worksheet 3.7 to organize these resources and rate their importance in contributing to your social enterprise.

- What materials do you need to operate your social enterprise?
- How will you fund your social enterprise?
- What kind of manpower will your social enterprise require to function?

Now that you have an idea of what local resources are needed to sustain your social enterprise, you need to begin to think about how you will obtain them. The majority of local resources can be found in the same places that you can acquire local stakeholders in the

previous step. If you cannot obtain information on local resources this way, seek guidance from local volunteer agencies, contact other social enterprises or contact local businesses.

3.6. RESOURCES

Document Name	Description	Location
Community Enterprise Workbook	Toolkit for establishing a social enterprise (Australia)	http://www.socialtraders.com.au/social-enterprise-tools
Brainstorming: Generating Many Radical, Creative Ideas.	Brainstorming	http://www.mindtools.com/brainstm.html
Mind Maps: A Powerful Approach To Note-Taking	Brainstorming	http://www.mindtools.com/pages/article/newISS_01.htm
Wrexham County Borough Council Toolkit: 1.1 Generating Ideas: Need and Opportunity	Community Enterprise Workbook	http://www.wrexham.gov.uk/assets/pdfs/business/se_manual/11_generating_ideas.pdf

3.7. WORKSHEET: THE INVENTORY CHECKLIST

		Very Important				Least Important			
Resource Inventory Items									

Re – cap

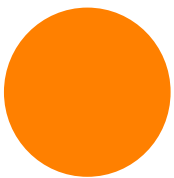
By now you should...

- Have an understanding of your community's needs and characteristics
- Accumulated and organize your community's background info/data
- Have identified key words, phrases, terms, and themes that directly relate to your social enterprise idea
- Have identified the goals, objectives and a statement of purpose for your social enterprise idea
- Have begun to think about the local stakeholders and resources that you will need to support your social enterprise
- Created an inventory of resources upon which your social enterprise could draw

In the next section you will...

- Conduct a Feasibility Study
- Create a product/service plan
- Confirm stakeholders and business partners
- Conduct a market analysis
- Develop your financial plan

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4.0 FEASIBILITY STUDY



Source: Bloomberg, 2011

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Close - up

Before you start this section we suggest...	<p>You can confidently answer the following questions:</p> <ol style="list-style-type: none"> 1) What are the community's needs and characteristics? 2) How will your social enterprise idea meet a need or have a positive impact on the community? 3) From what local stakeholders and resources will you be seeking support?
Key words and terms	<ul style="list-style-type: none"> • Feasibility • TOWS analysis • Partnerships • Industry/Market Analysis • Consumer
What this section will cover	<ul style="list-style-type: none"> • Determining whether your social enterprise idea is viable • Defining your product or service • Defining your values • Identifying threats, opportunities, weaknesses and strengths • Confirming stakeholders and business partners • Conducting an Industry/Marketplace Analysis • Identifying your consumer. • Discovering funding opportunities for your social enterprise • Completing a Financial Plan.
What you will need to complete this section	<p>You will have to have critically thought through the following questions:</p> <ul style="list-style-type: none"> • What is your product? Who are our clients? What do your clients really need from you or your service? • What already exists out in the market? Where are the gaps that can be filled with my talents, strengths, and great ideas? • What will a basic budget look like for your social enterprise?
Worksheets for this section	<ul style="list-style-type: none"> • Product/Service Plan • Defining Your Values • TOWS Analysis • Market Potential Worksheet • Using Surveys to Conduct Market Research • Market Street Research – Interviews • White Paper – Using the Focus Group in Market Research • The Past, Present and Future of Observational Research in Marketing • Small Business Development Centres – Fill in the Blanks Feasibility Study Worksheet • New Venture Feasibility Analysis

4.1. WHAT IS A FEASIBILITY STUDY?

The feasibility study is conducted in the initial stages of the project and its purpose is for analyzing and justifying the project in terms of its viability and the extent to which there is a need for it in the community. It is where you actually assemble the findings/results of the initial stages of creating the social enterprise.

A feasibility study is an examination of all aspects of a proposed social enterprise to determine if the new entity would succeed. In particular, the study is used to determine the size of the target market, whether it is for a product and/or service, or to determine if the present market could successfully absorb an additional enterprise. The target market survey may reveal that there is no business presently serving the niche market that your new social enterprise is targeting.

WHAT DOES A FEASIBILITY STUDY LOOK LIKE?

THE MAIN COMPONENTS OF A FEASIBILITY STUDY INCLUDE:

- 1) Analysis of financial feasibility
- 2) What does the industry/market say?
- 3) Who are the people you need to involve in your social enterprise? For example, who are your consumers and who are your partners?

The graphic below displays the relationship between the main gears of a Feasibility Study (Analysis, Industry/Market, Consumers) – these are not the only “gears” involved.

Depending on your social enterprise, you will need to add or take away elements that are required for the successful analysis of your initiative. Every situation is unique and will require additional information in order to fully understand if your venture can be supported in the long run.

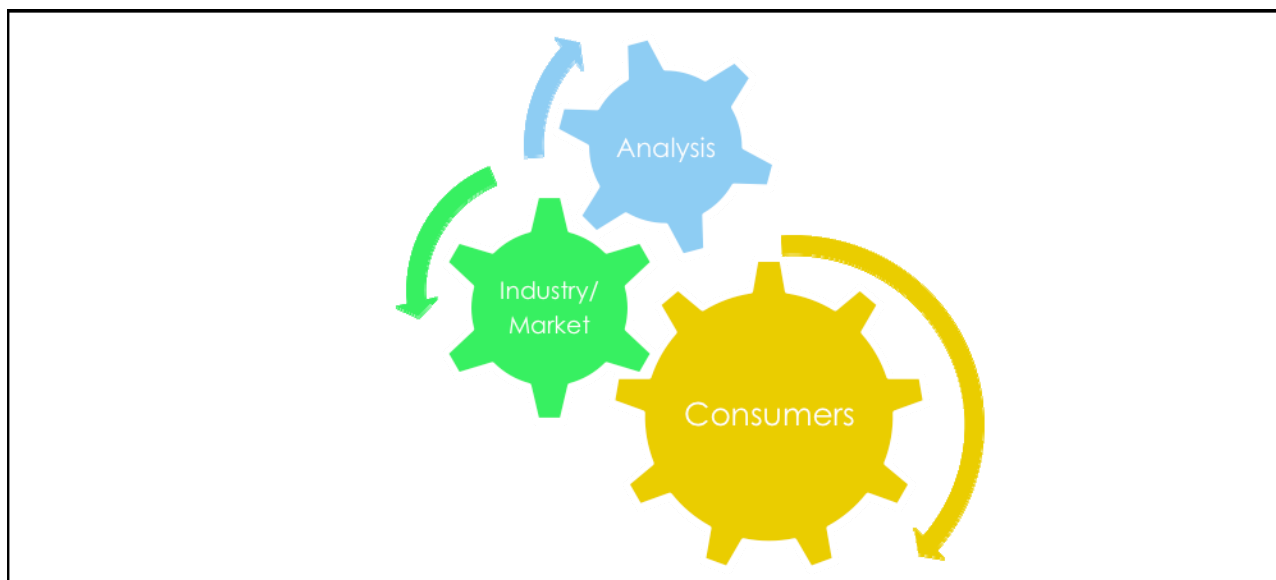


Figure 4.1: Aspects of a Feasibility Study

Source: Jones, M. (2009)

4.2. DEFINING YOUR PRODUCT OR SERVICE

In the previous section you were asked to develop an idea for your social enterprise. You would have also started thinking about what this idea might look like in terms of a product and/or service. At this point it is important to formulate the details of your product or service and begin to identify all of the tools you will need to turn this idea into a successful business venture.

A **PRODUCT** is a commercially distributed good that is (1) tangible personal property, (2) output or result of a fabrication, manufacturing, or production process, and (3) passes through a distribution channel before being consumed or used²⁶. A **SERVICE** is a valuable action, deed, or effort performed to satisfy a need or to fulfill a demand²⁷. A social enterprise can offer a product, a service or a hybridization of the two approaches. It is up to

²⁶ Business Dictionary. (n.d.) *Definitions*. Accessed November 17, 2011, from www.businessdictionary.com

²⁷ Ibid., (n.d.).

you to determine how you can best carry out your idea to fulfill a need within the community or achieve a positive societal impact.

Bob and Sue are really excited to start their social enterprise, Kingston Connection. Being former students they realize the challenges that students face when coming into a new community. They feel that their enterprise would work best if they provided both a service and a product. On the service side they want to provide an online resource hub of information for incoming students. On the product side of their business they want to provide resource booklets full of coupons and community resources to students upon arrival.

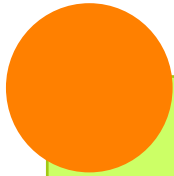
Doing research on your product and/or service is important in order to ensure the long-term success of your social enterprise. This section will build on the Getting Started section by helping you further identify the resources you will need in order to create your product or run your service while also getting you to think about the financial costs associated with each aspect. This includes aspects such as finding suppliers and purchasers for your product (e.g. are you selling to the public or to a specific business in town? How will you manufacture your product?)

Location is key to the success of your business, especially if you are targeting it towards a specific audience. Locating yourself will depend upon where your consumers are and how they access services within your community. Later on within the feasibility study you will have the chance to identify your consumers, but it does not hurt to begin to brainstorm locations to set up shop. Start out by considering the following questions:

- Do I want to buy or rent property?
- How much can I afford to spend on monthly payments towards rent or a mortgage?
- How much space does my social enterprise require?

Your business plan will fully flesh out the operational aspects of your social enterprise, however it is important to begin thinking about your location. In order to determine if your

social enterprise is feasible, you need to figure out if there is an adequate location to establish yourself within the community.



Tip: Developing a Product or Service Plan

Visit the following website to access a template for defining your product and/or service:

<http://www.biztree.com/Templates/Worksheet--New-Product-or-Service.html>

4.3. CLASSIFYING YOUR SOCIAL ENTERPRISE

Once you have decided what your product and/or service is going to be, you need to determine what your enterprise will be classified as. The four most common classifications that currently exist within Canada include: for-profit organizations, not-for-profit organizations, co-operative organizations and charitable organizations. Appendix B provides a radial map that might help you situate yourself within the context of the global and social economy. Take some time to go through the following definitions and identify which classification would best suite your social venture.

FOR PROFIT ORGANIZATION/BUSINESS: These ventures share an intent, usually from the moment they are founded, to create social or environmental value for the community in addition to making a profit for shareholders and owners²⁸. For-profit enterprises tend to lean more towards socially conscious purchasing more so than defining themselves as a social enterprise.

NOT-FOR PROFIT ORGANIZATION: Directors, officers and/or members of a not-for-profit organization do not own the corporation or its assets. The organization does not operate for the purpose of financial gain for its members, officers or directors. In certain circumstances a not-for-profit organization may engage in revenue producing activities and earn a profit, however these activities are to be conducted solely to further the principal objectives of the organization.²⁹

CO-OPERATIVE ORGANIZATION: A co-operative is a business that is owned by an association of members that could include as few as three or as many as hundreds or even thousands of owners who have decided to pool their resources³⁰.

CHARITABLE ORGANIZATION: In order to be a charitable organization, a corporation must meet the general requirements for not-for-profit corporations and some additional requirements. A charitable organization must be set up to carry out activities in one or all of the following charitable purposes: relief of poverty, advancement of education, advancement of religion and other purposes beneficial to the community, as determined by the courts, but not falling under any of the above³¹.

²⁸ Clark, C.H., & Ucak, S. (2006). *RISE for-profit social entrepreneur report: Balancing markets and values*. Accessed October 23, 2011, from <http://www.riseproject.org/whattype.html>

²⁹ Canada Business Ontario. (2010) *Not-For-Profit Info Guide*. Accessed November 23, 2011, from <http://www.cbo-eco.ca/en/index.cfm/guides/not-for-profit-info-guide/>

³⁰ Ministry of Economic Development and Innovation. (2011) *Preparing to Start Your Business*. Accessed November 23, 2011 from http://www.ontariocanada.com/ontcan/1medt/smallbiz/en/sb_yrguide2_en.jsp#2

Bob and Sue's idea has now moved from being an idea, to being defined as a product and a service. They are now in the process of determining how to classify their venture. They want to create a welcoming and supportive environment for new students to Kingston but make a profit at the same time. They have decided to become a not-for-profit social enterprise. They want to invest all the surplus revenue that they make from advertisement back into providing additional services through Kingston Connection.

4.4. DEFINING YOUR VALUES

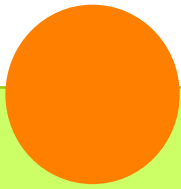
Up until this point you should have narrowed your idea for pushing forward your social goals. You also should have a clearer picture of what it is you are going to provide to your community either in the form of a product or service. Now is the time to consider your values in regard to your social enterprise. Will your social goal be the centre of your venture? Or will you incorporate it as a subset to your business? Some ventures may be best suited to have more business driven values and adding in social goals into the subtext of the business objectives.

In the Getting Started section you would have developed your statement of purpose (your vision) and begun to identify the primary goals and objectives for your social enterprise. Begin to brainstorm the social values that encompass your product or service and how you see it benefiting your community.

Your values will define where you want your social enterprise to go with respect to meeting your identified need within the community. In order to help ensure that your social enterprise is reflecting your social values, consider your mission first rather than starting

³¹ Ontario Ministry of Consumer Services. (2011) *The Non Profit Corporations Act- Impact on Charities*. Accessed November 23, 2011 from http://www.sse.gov.on.ca/mcs/en/Pages/Not_For_Profit_Charities.aspx

with your venture's financial potential³². It is important to develop a financial plan for your venture, however, do not lose sight of your enterprises values.



Tip: Defining your Values Worksheets

Place your vision and mission in a visible area for all stakeholders, staff, volunteers, and consumers to remind everyone why you're here and what you want to achieve!

Refer to the following websites for worksheets on how to define your values as a social enterprise:

Do it yourself Committee Guide:

<http://www.diycommitteeguide.org/resource/worksheet-developing-organisational-values>

Mutual Advantage Social Values Workbook: www.mutual-advantage.co.uk/CMS/uploads/Section2.pdf

4.5. FINDING RESOURCES

Resources can be anything you need to help you establish your social enterprise. If you are going to provide a product, resources take the shape of the physical materials you need to produce the good. From a service stand point your resources might be volunteers or staff. Identifying what types of resources you will need for your social enterprise can help you determine where to look for them. You would have begun to identify necessary resources in the Getting Started section.

³² Centre for Social Innovation. (2011). *Social Innovation*. Accessed November 17, 2011, from www.socialinnovation.ca

Whether you are providing a product or a service to the community, there will be different types of resources to consider. The following examples are not meant to be an exhaustive or exclusive list. There may be other areas that you identify as needing resources that this Toolkit may overlook. Throughout this section write down potential resources you identify as part of the provision of your product or service.

Physical resources can be the input materials needed to make your product. You will have already defined the product that you want to provide to your consumers. Break down all the components that go into that product. Is the product something you can manufacture on your own or do you need someone to manufacture it for you? If you are going to manufacture your product, can you identify any suppliers for the materials you will need? Is there any special equipment or tools that you will need to create your product? Identifying each element will help you determine a variety of resources you will need in order to create your product. It is also important to take your time to identify suppliers within your communities and compare cost quotes.

People resources are necessary in order to run your social enterprise. It is very rare that a social enterprise is managed and operated by one person; finding the right people to work with you (paid staff, volunteers, stakeholders etc.) can be an arduous process in itself. Talk to your municipal government's social service branch. They can help identify people who are seeking employment or volunteer opportunities. Researching community organizations within Kingston as well as educational institutions or employment agencies can further help you identify local resources. Once you determine the type of people you want to bring on board (be it investors, staff, volunteers, etc.), you can begin to access a variety of resource pools within your community.

The following list of resources can help jump start you on your search for the right resources for your venture:

Table 4.1: Resources in Kingston to Access while Conducting your Feasibility Study

Organization	Description	Website
Kingston Economic Development Corporation (KEDCO)	Provides information on most issues related to economic development in Kingston such as property taxes, property listings, incentives and support.	http://business.kingstoncanada.com/en/index.asp
City of Kingston Social Services	Can identify available labour force and consumers	http://www.cityofkingston.ca/residents/social/index.asp
Kingston and Area Home Business Association	Geared towards helping and promoting small businesses that are home based. Networking opportunities, support network, business promotion.	http://www.kahba.ca/index.html
Downtown Kingston Business Improvement Association	Promotes businesses and activity in Downtown Kingston.	http://www.downtownkingston.ca/index.htm
KEYS Community Employment Centre	Job postings, funding options (wage subsidies)	http://www.keys.ca/
Social Planning Council of Kingston and District	Resource Centre	http://www.spckingston.ca/

4.6. IDENTIFYING WHAT YOU ARE GOOD AT AND WHERE YOU NEED HELP!

We all want to believe we're good at anything we set our minds to, however there are certain things that we must rely on others to help us out with. Before we can do that, you and/or the members of your social enterprise, need to identify what you or each person can bring to the table. Identifying group members' personal strengths and weaknesses with respect to the different areas of running a social enterprise will identify whether or not you need to look outside of your current stakeholder base to bring in a person who has expertise in a specific area.

The Sirolli Method, developed by Ernesto Sirolli, identifies three key aspects or “The Trinity of Management” to running an enterprise of any type (be it a social enterprise or conventional business): knowing the product, marketing that product and financial management³³. You might be the solitary person who is just beginning a social enterprise venture, or you might be an existing business/organization looking to incorporate a social mission into the existing venture. Regardless of where you are at, you need to take a critical look at each person's individual strengths and weaknesses.

One piece of Sirolli's “Trinity of Management” is the product/service expert. This person knows everything there is to know about the product or service you will be providing. They know how the part is manufactured, how it works and have a passion for seeing it used within the community. Similarly, for a service, this person knows exactly what is needed to provide the service and how to provide it effectively.

The second piece of Sirolli's method is the marketing expert. This person knows how to market the product or service within the community effectively. He or she is passionate about the product or service and knows how to promote it.

³³ Sirolli Institute. (2004) *Trinity of Management Keynote Speech*. Accessed November 17, 2011, from <http://sirolli.com/Evidence/Videos/VideoCategory/VideoPlayer/tabid/61/VideoId/81/Default.aspx>

The third piece of the Sirolli Method is the financial management expert. This person is business savvy in the sense of balancing the books and making sure the enterprise is sustaining itself financially, both in the short and the long term.

Begin to ask yourself under which category do you fit? You might find that you fit into just one or two categories, which is okay. What is important to note about the Sirolli method is that you can be the product and marketing person or the product and financial management person. However, it is highly discouraged to take on all three roles or take on the marketing and financial management role.

Ask yourself: Am I the person who has all the knowledge about the product/service and how it works/runs? Am I the person who can market my product or service? Am I the person who is great with financial planning and management? Once you identify what your role is you can begin to look at those around you in your organization to see where they fit. Or, if you're starting out on this road alone, you can begin to identify people within your community that can help you.

Bob knows everything there is about his community. He can recommend restaurants, knows directions to just about anywhere and is very resourceful when it comes to finding information and resources within the community. Sue on the other hand completed a four-year degree in commerce and has experience with financial management. Sue knows that when it comes to finances, she's the right person for the job.

At this point it might be helpful to contact Kingston Economic Development Corporation (KEDCO), business associations, friends, neighbours, family members, etc. Tap into your personal resource base as well as already existing networks in Kingston.

Bob and Sue are on the look out for a third partner in their venture. They have the expertise regarding their product and service, and are capable of the financial management of the social enterprise. But they don't know how to market Kingston Connection within Kingston. Using Bob's resourcefulness, they identify local business associations that they can approach to find a person who can market their business. Through community networking, they have met Tom, an expert in marketing and promotion.

4.7. IDENTIFYING STAKEHOLDERS AND BUSINESS PARTNERS

Up to this point you have identified what your strengths and weaknesses are within the context of delivering your service or product, but now you're asking yourself how do I identify people within the community to help me get my social enterprise rolling? Refer back to the list of potential resources within the community. This can act as a starting point in your search for stakeholders, business partners or investors.

There are two places you can begin to look for the right people: internally and externally³⁴. Internally look around for those who are already involved in your social enterprise. Define the roles that you would like each person to take on. Externally, look at your consumer base, government organizations, community organizations etc. Specifically, looking at organizations that align with your social values and goals can strengthen your ties with specific groups within the community.

It is important to ensure that the people you bring on board with you prescribe to the values and mission of your social enterprise. This will help to keep your social enterprise on track to achieving its overall vision.

³⁴ Business and Biodiversity Centre. (n.d.) *Stakeholder Engagement*. Accessed November 17, 2011, from http://www.businessandbiodiversity.org/action_stakeholder.html

4.8. TOWS ANALYSIS



Figure 4.2: Introducing a TOWS Analysis

Performing a TOWS (threats, opportunities, weaknesses and strengths) exercise is an important step to identifying barriers within the community that might prevent you from delivering the product or service to your targeted group. A TOWS analysis is similar to a SWOT analysis (same words but in a different order), however it gets you to consider the negatives and counter act a negative with a positive. By analyzing the **EXTERNAL ENVIRONMENT** (threats and opportunities), and your **INTERNAL ENVIRONMENT** (weaknesses and strengths), you can use these techniques to think about the strategy of your whole organization, a department or a team. You can also use them to think about a process, a marketing campaign, or even your own skills and experience ³⁵.

Consider current local conditions or circumstances that could threaten the success of your social enterprise now and in the future. After identifying these threats, look for opportunities to counteract these points. Being aware of potential threats and identifying

³⁵ MindsTools. (2011) *Going Beyond SWOT Analysis*. Accessed November 17, 2011, from http://www.mindtools.com/pages/article/newSTR_89.htm

opportunities to respond to said threats will make you more prepared for challenges you will inevitably face.

It is also important to critically look at your service or product that you want to deliver. Look at all aspects of the product or service and determine what its weaknesses are. Begin to ask yourself questions about the nature of your product or service. It might help to brainstorm with someone who does not know a lot about your product or service if you feel you are getting stuck.

For this process it is best to work with your team, whether it be potential management, staff, volunteers, social enterprise partners or your stakeholders. A TOWS analysis works best as a brainstorming activity. Begin by identifying the potential threats to your product or service.

A TOWS analysis can be conducted multiple times and at any point during your social enterprise venture. It is important to continually assess the threats and opportunities within your community as your social enterprise evolves. It is also wise to evaluate your product or service. This can be done through customer service surveys or comment cards. These can be built into your TOWS analysis.



Tip: More On TOWS

There are many examples of worksheets for a TOWS Analysis ranging from simple t-charts to complex matrices. Feel free to also find or create your own. See below how Bob, Sue and Tom completed a TOWS analysis for Kingston Connection.

Minds Tools - http://www.mindtools.com/pages/article/newSTR_89.htm

Inspired Business - http://www.inspiredbusiness.eu/business-articles/how-to-use-a-swot-analysis-and-a-tows-matrix-to-develop-strategies-for-your-business_4.html

<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> • Lack of interest of students • Mainly an online resource, how do you promote awareness? • Potential lack of interest on the part of local businesses to buy into the resource booklet • Difficult to market Kingston Connection to the broader community, students may not be aware of where to look for such a resource 	<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> • Create partnerships between Kingston Connection, Queen's University, St. Lawrence College and the Royal Military College • Offer incentives to new businesses buying into the resource booklet as well as updating them on information such as distribution of resource booklets to students • Attend orientation week festivities such as Queen's Sidewalk Sale to distribute resource booklets and create awareness of Kingston Connection • Offer discounts and coupons to various establishments throughout Kingston
<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> • Competes with the local Welcome Wagon • Seen as a guide for just 'students' • Revenue is generated mainly through advertisement sales 	<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> • Geared towards students, it does not directly take away from the services the Welcome Wagon provides • This is resource a booklet designed for students by students • This resource booklet is relatively inexpensive to generate and maintaining a website can be done a relatively low cost • The information within the resource booklet can be used by anyone in Kingston, not just students even though it is geared towards this demographic

Figure 4.3: Example of the first step in a TOWS Analysis

4.9. IDENTIFY YOUR CONSUMER

Before you conduct an industry/market analysis, you need to know who your consumers are. After all, if you do not know who your consumer is and how you can reach them, how are you able to gain a full understanding of what they want and need? The identification process can be started by asking yourself a few of the following questions:

- What gap do you want your product/service to fill?
- Who is it that needs/wants your product or service?
- Why do they need/want it?

A quick sketch of the answers to these questions can help you identify where you need to go to reach your target consumer and what it is you are going to offer to them.

Now it is important to where your consumer is located and how you will reach them. This may again involve a physical and mental mapping of the location of your consumer. For example:

- Where in Kingston is your consumer physically located? Downtown? The inner suburbs? Rural municipalities?
- How can you reach your target consumer (e.g. social media)?³⁶

4.10. INDUSTRY/MARKET ANALYSIS

The market analysis involves researching your consumers and your competitors. This is an important step in ensuring you are aware of who your audience is and what you need to be offering to satisfy your consumers' needs and wants. A market analysis is an ongoing

³⁶ Shaw, S. (2010) *The Entrepreneurette Gazette: How to reach your target market*. Accessed December 2, 2011, from <http://theentrepreneurettegazette.com/2010/08/12/how-to-reach-your-target-market/>

process that can be conducted by both formal and informal means such as: surveys, interviews, focus groups, observation, and through researching market information. For a worksheet that helps you analyze the industry/market please see the link in the Tip box below entitled *Market Potential Worksheet*.

It is imperative that your market surveys be designed appropriately to get the type of information you need. The retrieval of quality and useful information is a fine art and you may want to try a few versions of the survey on a few of your friends and family to see if they understand what you are asking. After all, if they know little about your social enterprise, they may be able to offer suggestions that provide clarity. It is in your best interest to research information on proper survey design. This Toolkit provides a few useful tools and resources but remember that the appropriate survey will fit your social enterprise and consumer.³⁷



Tip: Industry/Market Analysis

The following worksheets are meant to help you conduct a market analysis:

- Market Potential Worksheet: <http://www.entrepreneur.com/formnet/form/819>
- Using Surveys to Conduct Market Research: <http://www.allbusiness.com/marketing/market-research/1311-1.html>
- Market Street Research – Interviews: http://www.marketstreetresearch.com/capabilities/methodology-in_depth.htm
- White Paper – Using the Focus Group in Market Research: <http://www.b2binternational.com/publications/white-papers/market-research-focus-group/>
- The Past, Present and Future of Observational Research in Marketing: <http://www.emarketing.net.cn/upload/file/2009/09/21/211253540738542.pdf>

³⁷ Creative Research Systems. (2010) Accessed on December 2, 2011, from <http://www.surveysystem.com/sdesign.htm>

4.11. HOW TO FUND YOUR SOCIAL ENTERPRISE

Once the market survey has been completed and indicates that a new social enterprise is feasible, the process may then advance to a next step of finding a suitable location. The proper location for your new enterprise is essential for its viability, and crucial with respect to the success of the venture. But it is important to note that ‘location’ determined by your target market survey would determine the general location, not the precise building. The search for an available building will usually come at a later time in the process, but it might be a good idea at this point to look into area lease rates or building prices in Kingston. For example, you may determine that a downtown location within walking distance of other shops that compliment your social enterprise may be most appropriate. The location of major bus routes, stops and transfer points in Kingston may also inform the location of your social enterprise. A location study is an essential part of a Feasibility Study, as the proper location is very important for any business to attract customers or clients.

Once the target market and the general location of a new social enterprise have been identified, the next step would be to determine the availability of financial assistance. For this requirement, a list of the financial needs could be drawn up, as many of the major tasks would be determined at this point. The information gained here would then assist you in determining the start-up costs of the operation and the dollars needed to carry the business for a period of time until it becomes established. You must consider these issues carefully, as this information will be relied on later to secure financial backing.

At this stage, with market information, location, and start-up costs determined, financial sources may be considered to determine if your social enterprise could gain the support of a financial institution or capital investor. A worksheet and checklist would best serve you in this regard. Other considerations, when the prospective social enterprise becomes a reality, are such things as insurance and employment needs. An estimate of the number of employees would be important in determining the cost of wages, vacation pay, and all of

the other considerations that need to be determined when employees are engaged in your enterprise.

If the end result of the Feasibility Study and the analyzed outcome indicates that the business is viable, then the next step in the process would be the incorporation of the enterprise and the preparation of a detailed social business plan, which will be outlined in detail in section 5.

4.12. FINANCIAL PLAN

In analyzing the feasibility of social enterprise, it is important to know your potential expenses and income. This will help you determine whether your venture is viable in both social and economic terms. The worksheet at the end of this section can be found as a template in Microsoft Excel and helps you establish an operating budget. The hard part is being realistic in your predictions. This process may require you to consult with others who have either already embarked on this journey and/or have extensive knowledge about the financial side of business. This worksheet only offers a basic spreadsheet for financial management. Thus, a more in-depth analysis should be undertaken once the social enterprise is deemed feasible.

By this point – Bob, Sue and Tom have conducted a TOWS and Industry/Market Analysis, identified their stakeholder and partners, they have profiled their consumer in a multitude of ways (and will continue to do so). They have researched potential funding available to them as well as set out a basic budget that shows the amount of funding they will need.

4.13. RESOURCES

Document Name	Description	Location
Feasibility Study	How to write a Feasibility Study Report	http://www.mymanagementguide.com/feasibility-study-reporting-steps-to-writing-a-feasibility-study-report-fsr/
USDA	Co-operative Feasibility Study Guide	http://www.ocdc.coop/New%20Basic%20Documents/sr58.pdf
NSP Project Feasibility Analysis Template	Instruction Manual	http://hudnsphelp.info/media/resources/ProjectFeasibilityAnalysisTemplateGuide.p
Canada Business Network	Conducting Market Research	http://www.canadabusiness.ca/eng/88/1194/
Survey Design Tutorial	Designing a survey	http://www.statpac.com/surveys
Researching Your Consumers	6 Tips on What to Find Out	http://www.microsoft.com/business/en-us/resources/marketing/market-research/researching-your-customers-6-tips-on-what-to-find-out.aspx?fbid=eZNXTfqistv
Free Management Library	Entrepreneurs – Are you really ready to start a new organization, product or service?	http://managementhelp.org/startingorganizations/preparation.htm
The Entrepreneurette Gazette	How to reach your target market	http://theentrepreneurgazette.com/2010/08/12/how-to-reach-your-target-market/

4.14. WORKSHEET: OPERATING BUDGET

Personnel	Budget	Actual	Difference (\$)	Difference (%)
Office			\$ -	0.0%
Store			-	0.0%
Salespeople			-	0.0%
Others			-	0.0%
Operating	Budget	Actual	Difference (\$)	Difference (%)
Advertising			\$ -	0.0%
Bad debts			-	0.0%
Cash discounts			-	0.0%
Delivery costs			-	0.0%
Depreciation			-	0.0%
Dues and subscriptions			-	0.0%
Employee benefits			-	0.0%
Insurance			-	0.0%
Interest			-	0.0%
Legal and auditing			-	0.0%

Maintenance and repairs			-	0.0%
Office supplies			-	0.0%
Postage			-	0.0%
Rent or mortgage			-	0.0%
Sales expenses			-	0.0%
Shipping and storage			-	0.0%
Supplies			-	0.0%
Taxes			-	0.0%
Telephone			-	0.0%
Utilities			-	0.0%
Other			-	0.0%
Total Expenses	Budget	Actual	Difference (\$)	Difference (%)
	\$ -	\$ -	\$ -	0.0%

Tip: More Worksheets!

Small Business Development Centres: Fill in the Blanks Feasibility Study Worksheet:

http://www.mohave.edu/documents/SBDC/Resources/Fill_In_Feasibility_Study_Worksheet.pdf

New Venture Feasibility Analysis: <http://leeds-faculty.colorado.edu/moyes/bplan/Plan/Feasibility/Feasible.pdf>

Social Enterprise Toolbelt: <http://www.setoolbelt.org/resources/58>

Microsoft Office: <http://office.microsoft.com/en-us/templates/CL102207090.aspx>

Re – cap	
By now you should...	<ul style="list-style-type: none"> • Have defined your values • Searched for and found resources • Identified what you are good at and where you need assistance • Conducted a TOWS Analysis • Identified stakeholders and business partners • Conducted an Industry/Marketplace Analysis • Profiled your consumer and how to reach them • Have a strong understanding about funding your endeavour • Have completed a Financial Plan • Have conducted feasibility study using the tips from this section and external worksheets identified
In the next section you will...	<ul style="list-style-type: none"> • Learn about the process of incorporating your social enterprise • Be given guidance on developing a governance structure for your social enterprise • Learn how to develop your social business plan



5.0. SOCIAL BUSINESS PLANNING



Source: Bloomberg, 2011

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<i>Close - up</i>	
Before you start this section we suggest...	<ul style="list-style-type: none"> • Carefully reviewing the results of your feasibility study • Determine by analyzing the feasibility study which direction your new social enterprise should take • You should know at this point that your new social venture is likely to succeed
Key words and terms	<ul style="list-style-type: none"> • <i>Not-for-Profit Corporations Act</i>, 2010 • <i>Co-operative Corporations Act</i>, R.S.O. 1990 • Business Plan
What this section will cover	<ul style="list-style-type: none"> • Various forms of Ontario corporations suitable for a social enterprise situated in Kingston • Direct you in the preparation of a social business plan for a social enterprise.
What you will need to complete this section	<ul style="list-style-type: none"> • Detailed information of the various types of social enterprise corporations as indicated by the Government of Ontario • A template for a creating business plan for a social enterprise as provided by the Business Development Bank of Canada
Worksheets for this section	<ul style="list-style-type: none"> • Business Plan template provided by the Business Development Bank of Canada <p>http://www.bdc.ca/en/advice_centre/tools/business_plan</p>

5.1. PLANNING FOR A SOCIAL ENTERPRISE

The incorporation of a social enterprise and the creation of a social business plan are the next two steps that follow in your process of establishing your venture in Kingston.

Here are common questions a social entrepreneur may ask at this point:

WHAT IS THE DEFINITION OF AN INCORPORATED SOCIAL ENTERPRISE?

A corporation is an entity that is separate from its creators. It has all of the powers of a natural person.

WHY INCORPORATION A SOCIAL ENTERPRISE?

Incorporation provides for long-term stability of the social enterprise, as it will continue to exist if the original incorporators leave the enterprise.

HOW DOES THE INCORPORATION OF A SOCIAL ENTERPRISE RELATE TO SOCIAL ENTERPRISE AND INNOVATION?

It is necessary that a social enterprise be a viable social entity under Ontario legislation.

WHAT IS THE DEFINITION OF A SOCIAL BUSINESS PLAN?

A social business plan is a detailed long-term statement and information document on how the social enterprise will operate over a period of usually three to five years.

WHY IS A SOCIAL BUSINESS PLAN NEEDED?

To obtain financing and grants to operate.

HOW DOES A SOCIAL BUSINESS PLAN RELATE TO SOCIAL ENTERPRISE AND INNOVATION?

The social business plan ensures the operational and managerial viability of a social enterprise and helps achieve its double (and sometimes triple) bottom line.

5.2. STRUCTURE OF A SOCIAL CORPORATION

Bob, Sue and Tom's next step in advancing Kingston Connection would be to determine relevant provincial legislation. The group has already determined that Kingston Connection will be run as a not-for-profit organization and will therefore be looking to the Not-for-Profit Corporations Act for direction.

Social enterprise business planning begins with an understanding of the organization itself, and accordingly, it is necessary to first discuss the social business structure, governance, management, and finance of the incorporated organization before beginning the process of creating your social business plan. These terms may have different meanings based upon the nature of the social enterprise, but as a general rule they would each have the following meaning: Governance refers to the role of the directors and officers of a corporation in the conduct of the policy affairs of the social enterprise as set out under the appropriate legislation. Management refers to the implementation of the policies of the corporation as set down by the directors for the operational activities of the social enterprise in the corporation By-laws. Finance has a more restricted meaning as it refers to the control and management of funds within the organization, its relationship to its bank or creditors, and its use of funds as stipulated by the government's corporation legislation.

The structure of a social enterprise corporation is found in the legislation under which it was created. In this section, the use of two Ontario corporations Acts will be examined, rather than the federal social enterprise corporations Acts, as this Toolkit is meant for use in the City of Kingston and area.

In section four, conducting a Feasibility Study for a new social enterprise was outlined and analyzed. This is a crucial stage. If the feasibility study found that the new social enterprise would not be viable, then the decision at this point would be to abandon the idea. On the

other hand, if it was confirmed that the new social enterprise would be viable, it is then necessary for you to proceed to the next steps. This section now addresses these next important steps, which are the creation of a social business structure, and a business plan for your new enterprise.

As a social entrepreneur, you must decide on a suitable form of social enterprise structure, as there are fundamental differences between a conventional business and that of a social enterprise entity. For example, the conventional business may be operated as a sole proprietorship, partnership or business corporation. The latter would be incorporated in Ontario under the *Business Corporations Act*.³⁸ It would be organized for the purpose of carrying out business activities designed to maximize a profit for the corporation and for its shareholders

In contrast to the traditional business corporation, not-for-profit corporations and co-operative corporations would be incorporated under different Ontario legislation. Each type of social enterprise would be organized to ensure that the corporation places equal priority on achieving its social mission as it does generating a profit, except as provided under the statute. During this step, depending on whether you are a not-for-profit or co-operative organization, you should provide a brief description of the ways in which your social enterprise exemplifies one of these classifications using Ontario legislation.

It is important to note that at this stage, the classification of your social enterprise should be known, thereby making it easier to determine the direction your social venture will take. Also, a social enterprise does not have to take the form of a not-for-profit or co-operative organization, however these are the most common types of social enterprises and are the most likely to thrive in Kingston.

³⁸ *Business Corporations Act*, R.S.O. 1990, c. B.16

Once you have made the decision to proceed with your prospective social enterprise, the next step in the process would be to establish a legal entity to carry out the activities of the new social venture. This would normally take the form of a corporation. In Ontario, the incorporation of a social enterprise would usually take place under either the *Co-operative Corporations Act* 1990³⁹ or the new *Not-for-Profit Corporations Act*, 2010⁴⁰.



Tip

Keep in mind that there are other statutes that provide for the creation and control of specific social enterprises such as credit unions, condominiums, and charities. At this point in time it is also important to note that the *Not-for-Profit Corporations Act* has received third reading by the Ontario Legislature, but it has not received Royal Assent.⁴¹ A new not-for-profit social enterprise might consider waiting for a brief period of time in order to incorporate under the new Act.

The Federal Government has provided a website for social entrepreneurs who wish to form a Co-operative. “*Creating a Co-operative: An Information Guide*”⁴¹ is set up for the use of people in all of the provinces of Canada. While the incorporation of a Co-operative enterprise could conceivably be accomplished without legal advice, it would probably be advisable and more efficient to place the work to be completed in the hands of a member of a legal profession.

³⁹ *Co-operative Corporations Act*, R.S.O 1990. c. C.35, as amended

⁴⁰ *Not-for-Profit Corporations Act*, 2010, S.O. 2010, c.15

⁴¹ Co-operatives Secretariat. (2011). Welcome. Accessed November 24, 2011, from <http://www.coop.gc.ca/COOP/>

The decision to incorporate a social enterprise is the beginning of a process that involves a number of important decisions that relate to the structure of the social organization: governance, management, and financial accountability.

GOVERNANCE STRUCTURE OF A SOCIAL ENTERPRISE

There seems to be a general belief that individuals can create a traditional or social business and run it in whatever fashion that they may wish. However, this is not the case, as the federal and provincial governments essentially ‘layout’ what to do, how to do it, and when to do it with respect to the relationship of the traditional or social business with the government under its respective Acts.

The governance of the social enterprise is to a significant extent related to the social corporation legislation. Governance under the statute will include the names of those who will govern the social enterprise and how it will operate, but it will not set out the detailed structure of the governance or the management of the corporation. This information will be found in the By-laws of the corporation. These particulars will be established as directed by the statute under which your social enterprise is incorporated. In particular, the *Articles of Incorporation* of the your social enterprise will indicate the nature of the organization, its purpose, and how the governance of the organization will be established.

Under the *Co-operative Corporations Act* the rules are slightly different from those under the *Not-for-profit Corporations Act*, and each is somewhat different in some areas of governance and management to reflect the differences of the two social entities. For example, the management of a housing co-operative may have different issues that are not common to other forms of not-for-profit social enterprises, and for this reason the Ontario government enacted two distinct corporation Acts to address the differences in the two types of social enterprises.

There are, however, some components that tend to be common to all corporations as determined by the legislation. The two Ontario statutes referred to above set out these requirements that include the establishment or election of a Board of Directors responsible for the governance and the management of the corporation. Both Acts set out the duties and responsibilities of the Board of Directors and the appointment of officers. For example, not-for-profit corporations and co-operatives corporations must have a minimum of three directors with a Canadian residency requirement. The statutes also list the major duties and responsibilities of the directors and officers.⁴²

MANAGEMENT OF A SOCIAL ENTERPRISE

The day-to-day operation of the social enterprise may take on many forms that range from a single employee to an organization structure bearing a close resemblance to a traditional business corporation, with a large and complex management consisting of various levels of responsibility for operations. In many cases, however, the management of the social enterprise will likely be small, with only a few employees working under the direction of an Executive Director or the Board itself. It is important to note that regardless of the management structure developed for the social enterprise, the powers and responsibilities of the Board of Directors are set out in the corporation's legislation under which the social enterprise was incorporated.

FINANCIAL STRUCTURE OF A SOCIAL CORPORATION

The financial structure of a social corporation is sometimes confused with the financial analysis that goes into a social business plan. Each has its own place, function, and

⁴² *Co-operative Corporations Act*, R.S.O. 1990, c. C.35, s.85 (2) and *Not-for-Profit Corporations Act*, 2010, S.O. 2010, c.15, s.22(1)

applications. When dealing with the financial structure of a social enterprise, you must be guided by the Act under which it was incorporated. Once again, you can only deal with the financial side of the social enterprise by following the government's rules and regulations found in the statute.⁴³

There are significant differences between a conventional business and that of a social enterprise when dealing with finance. The traditional business has as its goal the generation of profits in order to grow and succeed, and to maximize profits for its shareholders. This is known as the 'bottom line'. In contrast, a social enterprise often has for its goal the 'triple bottom line' that is defined as a record of its economic and social endeavours.

Nevertheless, the social enterprise must also maintain typical financial records that set out its financial activities as required under the appropriate Act. The use of social enterprise receivables vary depending on the type of social enterprise or innovative entity if its primary goal is to generate funds for social purposes. As a general rule, the funds received are used for the operational expenditures of the social enterprise, and any appropriate reserve. For example, for a co-operative housing project, funds would be needed for unexpected or planned repair to buildings or equipment, and these funds are often set aside as a reserve. The use of some funds may also be dictated by the Federal or Ontario government's rules and regulations for certain financial grant programs.

As the number of social enterprises in Ontario increase, so too has the government's requirement for social enterprise accountability. At both the federal and provincial levels, governments expect proper accounting methods to be used in the acquisition, management and expenditure of all monies received from grants, donations and earnings of the social enterprise. The Generally Accepted Auditing Principles (GAAP) methods⁴⁴ or the specific corporate variations are often an expectation as part of the financial reporting aspects of the legislation. Periodic filings of financial data are set out in the legislation applicable to

⁴³ Supra 3, s.48-s.102.

⁴⁴ Supra, 3.

social enterprises. In most cases, a social enterprise will require some form of professional accounting service to prepare and provide this information for both the members of the enterprise and government reporting agencies.⁴⁵ Overall, your social enterprise will be expected to operate in much the same manner as a traditional business organization, and be subject to somewhat similar scrutiny by the government.



Tip

The government has indicated that it may broaden its rules for charitable donations under the *Income Tax Act* to encourage citizens and companies alike to support charitable organizations, but it is also anticipated that in the future, government grants will decrease, and more donations will be expected to come from the community at large.

5.3. CREATING A SOCIAL BUSINESS PLAN

SOCIAL BUSINESS PLANNING IN GENERAL

The business plan for a social enterprise is prepared as a document for the management of the enterprise to follow in the conduct of its day-to-day activities. The components that are laid out in this part are considered the most important in a chain of tasks you will face in the creation of a social enterprise. A social business plan is a tool to guide the operation of the enterprise for a three to five year term. Furthermore, it is also a document to assist those who need to know the status of the enterprise, such as the entrepreneur, financial institution, the accountant, the solicitor of the corporation or any other authorized person

⁴⁵ Supra, 3.

that needs access to and be able to periodically use the plan to monitor the health of the enterprise.

A plan that is designed for a social enterprise or socially innovative entity must be comprehensive and accurate. Most plans are detailed and lengthy, some up to forty pages or more in length. It is important to note that a suitable social business plan is fundamental to securing financial assistance from a financial institution such as a bank, an investor, or government.

At this point in time, assuming that Kingston Connection has been incorporated, the next step would be for Bob, Sue and Tom to prepare a social business plan. They will require a plan because they require financial assistance to establish their social enterprise. The social business plan will enable them to seek out capital from a finance entity, financial institution, an investor, or the government.

The Business Development Bank of Canada has an excellent website for public use. Sue, with her financial background, accesses the website to prepare Kingston Connection's social business plan. The details, including the website for this process, are covered in the following section: Social Business Plan Content.

SOCIAL BUSINESS PLAN CONTENT

Every business plan is unique, whether it is for a social enterprise or a traditional business, and will be specific to the social enterprise or traditional business that it is intended to serve. The social business plan must include every conceivable issue that you can anticipate affecting the operation of your enterprise as it moves forward.

As a social entrepreneur, you should become familiar with the contents of a business plan in general before creating one. In this regard, the business plan in this section will assist you in understanding its content.

Tip

The Business Development Bank of Canada¹ has an excellent website with a comprehensive business plan template for the use by the public. This template can be found at:

http://www.bdc.ca/en/advice_centre/tools/business_plan

Note the disclaimer

Before you begin this process, here is a summary of the contents you can expect to include in your social business plan⁴⁶:

Table 5.1: Elements of a Social Business Plan

Section	Elements
Table of Contents	<ul style="list-style-type: none">• List of all sections of your Social Business Plan
Social Business Overview	<ul style="list-style-type: none">• Legal name• Trading name• Business address• Telephone, email, FAX• Description of business• Major demographics• Economic, social and cultural factors• Nature of social business and trends in business• Government regulations
The Market	<ul style="list-style-type: none">• Market segment

⁴⁶ Business Development Bank of Canada. (n.d.). *Business Plan*. Retrieved November 12, 2011, from http://www.bdc.ca/en/advice_centre/tools/business_plan/Pages/default.aspx

	<ul style="list-style-type: none"> • Market trends • Products and services • Implications of risk factors • Planned response
Competition	<ul style="list-style-type: none"> • Competitors and type of competition • Competitors' strengths and weaknesses • Competitive advantage
Sales and Marketing Plan	<ul style="list-style-type: none"> • Customers • Suppliers • Advertising and promotion • Pricing & distribution • Customer service policy
Operating Plan	<ul style="list-style-type: none"> • Business location • Size and capacity • Advantages and disadvantages • Lease or ownership details • Equipment, furniture and fixtures • Technology requirements • Future expenditures • Research and Development • Environmental compliance
Human Resources Plan	<ul style="list-style-type: none"> • Key employees • Personnel and staffing plan • What kind of employees required
Policies and Procedures	<ul style="list-style-type: none"> • Hours of operations • Number of employees • Vacation program

	<ul style="list-style-type: none"> • Performance assessment • Training and Development • Remuneration and benefits
Action Plan	<ul style="list-style-type: none"> • Action plan • Timetable
Executive Summary	<ul style="list-style-type: none"> • Objectives • Description of project • Social Business history (if existing) • Nature of operations • Products and services • Management and advisors • Risk assessment • Contingency plan • Financial institutions • Supporting documents
Financial Plan	<ul style="list-style-type: none"> • Financial Institutions • Supporting Documents • Financial performance historical (if existing) and projected including sales • Cost of goods sold • Expenses • Income statement • Balance sheet • Cash flow budget (start-up funds) • Financial requirements • Performance indicators • Financial requirements • Performance indicators



Tip

A social entrepreneur must be realistic in the creation of the social business plan with regard to estimated projections related to expenditures, start-up funds and cash flow. Underestimation has a greater impact on the operation of a social enterprise than overestimation. Underestimation creates havoc with the financial arrangements in place, and may have a detrimental effect on the relationship between the entrepreneur and his or her financial backers, creditors, employees or suppliers.

5.4. RESOURCES

Organization	Description	Location
Business Development Bank of Canada	Provides a comprehensive business plan template for public use	http://www.bdc.ca/en/advice_centre/tools/business_plan

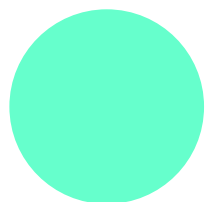
5.5. WORKSHEET: BUSINESS PLAN – BUSINESS OVERVIEW⁴⁷

LEGAL NAME ▶	<input type="text"/>		
TRADING NAME ▶	<input type="text"/>		
BUSINESS ADDRESS ▶	<input type="text"/>		
PHONE ▶	<input type="text"/>	FAX ▶	<input type="text"/>
E-MAIL ▶	<input type="text"/>		
DESCRIPTION OF THE BUSINESS ▶	<input type="text"/>		
MAJOR DEMOGRAPHIC, ECONOMIC, SOCIAL AND CULTURAL FACTORS ▶	<input type="text"/>		
MAJOR PLAYERS (suppliers, distributors, clients) ▶	<input type="text"/>		
NATURE OF THE INDUSTRY ▶	<input type="text"/>		
TRENDS IN THE INDUSTRY ▶	<input type="text"/>		
GOVERNMENT REGULATIONS ▶	<input type="text"/>		

⁴⁷ Business Development Bank of Canada. (n.d.).

Re - cap	
By now you should...	<ul style="list-style-type: none"> • Understand the various forms of Ontario corporations suitable for a social enterprise in Kingston • Know how to prepare a Social Business Plan
In the next section you will...	<ul style="list-style-type: none"> • Implement your Social Business Plan • Identify tasks to be completed, who will complete these tasks, when they will be completed and the required costs/resources • Create a realistic work plan with a timeline and milestones • Learn about various techniques used by other organizations to create excitement about your social enterprise

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6.0. IMPLEMENTATION



Source: Bloomberg, 2011

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Close – up	
Before you start this section we suggest...	<ul style="list-style-type: none"> • Ensuring your social enterprises is incorporated • You have a complete social business plan
Key words and terms	<ul style="list-style-type: none"> • Implement • Plan • Action • Key Players
What this section will cover	<ul style="list-style-type: none"> • Revisiting your Statement of Purpose • Determine key players and the skills that will assist in implementing your plan • Identify tasks to be completed, who will complete the tasks, and required costs/resources • Identify a realistic work plan with a timeline and milestones • Learn about various techniques used by other organizations to create excitement about your social enterprise
What you will need to complete this section	<p>You will need to have thought through the following points and the responses:</p> <ul style="list-style-type: none"> • Do you have a vision/end goal? What is it? • What are the tasks, who are the key players, when should the task be completed and what are the required costs/resources to put the ideas into action? • Have you created and completed a realistic work plan? • What do you consider to be your “Milestones”?
Worksheets for this	Implementation Plan

section	Co-op Action Implementation Plan TOWS Matrix SWOT Analysis
---------	------------------------------------------------------------------

Section five has provided you with an overview of the business planning side of a social enterprise. This section will demonstrate how a social enterprise would plan for and follow through with the Implementation of its Statement of Purpose, Vision, Mission and Goals & Objectives. It will provide you with the necessary tools to take action toward realizing your endeavour. Finally, it will focus your attention on the following three overarching themes to allow you to reach the vision of your social enterprise.

- 1) Define – Implementation.
- 2) Plan – Strategies and outcomes for each objective.
- 3) Action – Put ‘define’ and ‘plan’ into action.

Implementation is often overlooked as a key component because many individuals and organizations assume that if all other variables have been considered, implementation will take care of itself. In this section, it will be in your best interest to revisit your statement of purpose. This will help to ensure that implementation strategies result in the desired outcome of your social enterprise. It is important to also remind yourself of who it is you intend to provide a service/product to. Implementation is not a portion of the process that can receive a check mark and be crossed off a list, never to be looked at again. This step will evolve and need to be revisited as needs, wants and markets are continuously changing.

6.1. WHAT IS IMPLEMENTATION?

Implementation will look differently for every organization. Similar to this Toolkit, the steps in this section may not follow a linear progression. Instead, it may resemble a creek, where you may speed along in some sections, ‘pond’ in others, or take a large deviation (oxbow) in some situations – sometimes, the process may even meander back somewhere you have

already been. It is not a failure of you, the social enterprise or necessarily of the implementation process, rather it may simply be a process required to fine-tune your social enterprise's end result.

In any case, at the end of this section, you should be able to provide answers to all the following questions⁴⁸:

- What needs to happen?
- By when?
- Who is responsible for delivery?
- What organizations exist for use as resources?
- What are potential risks for delivery?
- Who can provide insight into implementation from a similar experience?

6.2. YOUR STATEMENT OF PURPOSE, GOALS, AND OBJECTIVES

Depending upon the stage at which you have started using this Toolkit, you may either have to revisit or create the guiding statements of your social enterprise such as the statement of purpose, goals and objectives, mission and/or vision. It is imperative you know where you want to end up before you embark on a journey anywhere.

⁴⁸ Strategy Unit. (2004) *Strategy survival guide – Prime Minister's Strategy Unit: Designing an implementation plan*. Accessed November 9, 2011 from http://interactive.cabinetoffice.gov.uk/strategy/survivalguide/skills/pd_designing.htm.

Bob, Sue and Tom have created their social business plan and have secured their finances. They are now ready to put their plan into action. First, they decide to revisit their statement of purpose to ensure that their vision is kept in mind when developing a work plan and completing tasks. Recall... “Kingston Connection aims to provide support, resources and opportunities to meet new people in the hopes making the process of relocating to Kingston an easy and enjoyable transition for new students.”

6.3. IDENTIFYING SKILLS AND ASSIGNING TASKS

The chart below will provide: an overview of a task, identify who is responsible for completing the task, by what date/time the task needs to be completed and the required costs and resources. Essentially, completing the chart will provide you with an idea of what, who, when, and how much is required to properly implement your social business plan. Through revisiting your guiding statements (e.g. statement of purpose) you should already be able to answer the questions: why and where?

The following chart breaks the larger purpose, goals and objectives into smaller actions. It also outlines the most important information/questions you need to ask to realize the full potential of your social enterprise.

Chart _____				
Implementation Breakdown				
Task	Who is Responsible		When should the task be completed	Required Costs / Resources
	Lead	Groups Involved		
For Example:				

Create flyers that include community events	Bob's group	Sue's Group Tom's Group	2 months before launch of Kingston Connection	Cost of design and printing of the flyers
------------------------------------------------	-------------	----------------------------	-----------------------------------------------------	----------------------------------------------

WHO DOES WHAT?

This is the point where you identify the players that will be able to provide key information and contacts to assist you in the implementation process. They can be employees or volunteers within your social enterprise or simply individuals that someone else has

Chart _____			
Key Players & Contact Information			
Name	Contact Information	Strengths	Why?
For example:			
Bob	bob@myemailaddress.com	Knows the Kingston community well and the services/amenities that are relevant to students.	Spent much of his undergraduate degree exploring the city, attending events and accessing services off-campus.

suggested you contact. The actual role these individuals play will be dependent upon many factors such as their available time, level of expertise, and other resources. Therefore, include all potential contributors on this list, regardless of time that they will spend actually working with the enterprise. List their strengths and why you would like them involved in the process.

Table 6.2: Key Players and Contact Information

The people on your list can include (but are not limited to):

• Colleagues	• Family
• Friends	• Acquaintances
• Anyone whom you think can assist your enterprise in any way.	

6.4. IDENTIFY A REALISTIC WORK PLAN WITH A TIMELINE AND MILESTONES

The template provided below provides a more comprehensive work plan that demonstrates just one of many ways your implementation plan can be organized. Use it to get started and along the way and customize it to fit your social enterprise⁴⁹.

Table 6.3: Work Plan Template

Project Start Date: _____

Project End Date: _____

Chart _____							
Work Plan Template							
Work Objective	Task & Measurable Outcome	Month / Phase					
		1	2	3	4	5	6

⁴⁹ Adapted from: Human Resources Service Centre. (2010) *Management for Performance (MPS): My Work Plan Templates*. Accessed November 9, 2011 from <http://www.hr.ecu.edu.au/mps/html/mwp.cfm>

For Example:					
Task 1: Create community awareness regarding a new social enterprise that is, Kingston Connection	Strategy (how)				
	Create partnerships and relationships with various agencies that regularly interact with students.				
	Outcome (include measures)				
	We want new students to hear about Kingston Connection and tell others about the services they accessed.				

“Phase” Colour Schemes:

GREEN	Initiate strategy/task
BLUE	Preliminary steps
YELLOW	Completing task
ORANGE	Wrapping up
RED	Task accomplished

6.5. CREATE EXCITEMENT ABOUT YOUR SOCIAL ENTERPRISE!

Excitement can become contagious – let your potential consumers and partners hear, see and feel your excitement! How have other organizations fostered excitement about their social enterprise? You can do some informal fieldwork analysis and ask others you know about why they feel your product/service is exciting. You may also want to ask them to identify potential ways to improve the delivery of your product or service.

Kingston Connect has decided that they need to create some excitement about their social enterprise. How can they do this? They determined that reaching out to the orientation week organizers at Queen's University, St. Lawrence College and the Royal Military College would be a good place to start.

6.6. RESOURCES

Document Name	Description	Location
Community Enterprise Workbook	Toolkit for establishing a social enterprise (Australia)	http://www.socialtraders.com.au/sites/www.socialtraders.com.au/files/CEDI_WORKBOOK.pdf
Coop	Action Implementation Plan	http://cooptools.ca/sites/get.cooptools.ca/files/Action_Implementation_Plan_form_v1.pdf
Government of Ontario Managing Downtown Revitalization	Developing the Plan for Action	http://www.reddi.gov.on.ca/dr_developplan.htm
Government of Ontario Managing Downtown Revitalization	Implementation of the Plan	http://www.reddi.gov.on.ca/dr_implementplan.htm
Kansas SPF-SIG	Implementation	http://spfsig.connectks.org/new/?page=implementation.php

My Work Plan Templates	Management for Performance	http://www.hr.ecu.edu.au/mps/html/mwp.cfm
Strategy Survival Guide	Designing an Implementation Plan	http://interactive.cabinetoffice.gov.uk/strategy/survivalguide/skills/pd_designing.htm
SWOT	Conducting a SWOT Analysis	http://www.mindtools.com/pages/article/newSTR_89.htm
TOWS Matrix	Example #1	http://www.mindtools.com/pages/article/newSTR_89.htm
TOWS Matrix	Example #2	http://www.mindtools.com/pages/article/newSTR_89.htm

6.7. WORKSHEET: ACTION IMPLEMENTATION PLAN

ACTION IMPLEMENTATION PLAN⁵⁰

Create a name for the Plan: _____

Recall your: Statement of purpose (SoP), goals and objectives (G&O), vision and/or mission (V&M)? Pick key words from each and place them in the chart below.

Key Word Identification

⁵⁰ Adapted from: Coop Tools. (2009). *Action Implementation Plan – a two page template*. Accessed November 19, 2011 from <http://cooptools.ca/action-plan>

Key Word	What does it mean for your plan?	Key Word	What does this mean for your plan?

By referring to your SoP, G&O and/or V&M – briefly state desired results to be achieved and strategies to be used:

Result to be achieved:	Strategy to be used:

Identify the tasks that need to be completed. Who are the players responsible for each task?
When will the task need to be completed? What are the required costs/resources?

Task	Who is Responsible		When should the task be completed?	Required Costs / Resources
	Lead	Groups Involved		

	Bob's group	Sue's Group Tom's Group		
--	-------------	----------------------------	--	--

Who are the key players that will work together on this effort?

Name	Contact Information	Strengths	Why?

Work Plan:

Project Start Date: _____

Project End Date: _____

Work Plan Template							
Work Objective	Task & Measurable Outcome	Month / Phase					
		1	2	3	4	5	6
Task 1:	Strategy (how)						
	- Strategy description						
	Outcome (include measures)						
	- Outcome description						
Task 2:	Strategy (how)						
	- Strategy description						
	Outcome (include measures)						

	- Outcome description						
Task 3:	Strategy (how)						
	- Strategy description						
	Outcome (include measures)						
	- Outcome description						
Task 4:	Strategy (how)						
	- Strategy description						
	Outcome (include measures)						
	- Outcome description						

List some examples and strategies for creating excitement about an social enterprise:

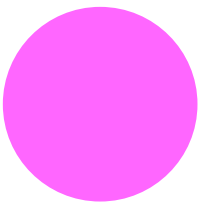
Example:	What did they do:

Additional Notes:

Re – cap	
By now you should...	<ul style="list-style-type: none">• Have an understanding of what implementation is and what it takes to put your ideas into action.• Ensure that your statement of purpose, goals and objectives are reflected in your Work Plan.• Determined key players and the skills they have that will assist in the implementation of your plan• Identified tasks to be completed, who will complete the tasks, when the tasks will be completed and what the required costs/resources are.• Outlined a realistic work plan with a timeline and milestones.

	<ul style="list-style-type: none"> • Researched various techniques used by other organizations to create excitement about your social enterprise.
In the next section you will...	<ul style="list-style-type: none"> • Monitor and evaluate the extent to which your social enterprise is realizing its vision and objectives

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7.0 MONITORING AND EVALUATION



Source: Bloomberg, 2011

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Close - up

Before you start this section we suggest...	<ul style="list-style-type: none"> • Reviewing your statement of purpose, goals, objectives and values • Reviewing your Feasibility Study and Business Plan • Recalling your implementation/work plan
Key words and terms	<ul style="list-style-type: none"> • Evaluation • Monitoring • Performance Management • Double Bottom Line • Triple Bottom Line
What this section will cover	<ul style="list-style-type: none"> • Defining Monitoring and Evaluation • How to Monitor and Evaluate • Engaging Stakeholders • Next Steps
What you will need to complete this section	<ul style="list-style-type: none"> • Clearly defined tasks • Implementation Plan • Statement of purpose, goals and objective and values
Worksheets for this section	<ul style="list-style-type: none"> • Demonstrating Value Workbook • Monitoring and Evaluation Spreadsheet

7.1. WHY MONITOR AND EVALUATE?

Monitoring and evaluation is a necessary process that allows your social enterprise to obtain pertinent information through the implementation of your goals, objective, values and tasks. Monitoring and evaluation can help an organization to extract, from past and ongoing activities, relevant information that can subsequently be used as the basis for programmatic fine-tuning, reorientation and planning. Without monitoring and evaluation, it would be impossible to judge if work is going in the right direction, whether progress and success can be claimed, and how future efforts might be improved⁵¹.

MONITORING is the supervision of activities in progress to ensure they are on-course and on-schedule in meeting the objectives and performance targets⁵². **EVALUATION** is a management process that is a rigorous analysis of completed or ongoing activities that determine or support management accountability, effectiveness, and efficiency⁵³.

Monitoring and evaluation are commonly known as “performance management”. Managing the performance of your social enterprise can provide you with information such as: confirming your enterprise is on the right track, where you need to adjust and improve planning, improving day-to-day operations, building and maintaining support of outsiders and preparing for the demand for facts⁵⁴. Creating a performance management framework for your social enterprise will help you observe over different time periods your progress towards reaching your social goals.

⁵¹ United Nations Development Program. “UNDP Handbook on Monitoring and Evaluating Results”. June 2009. Accessed November 17, 2011. <http://www.undp.org/evaluation/handbook/>

⁵² Business Dictionary. (n.d.). *Monitoring*. Accessed November 17, 2011, www.businessdictionary.com

⁵³ Ibid., (n.d.).

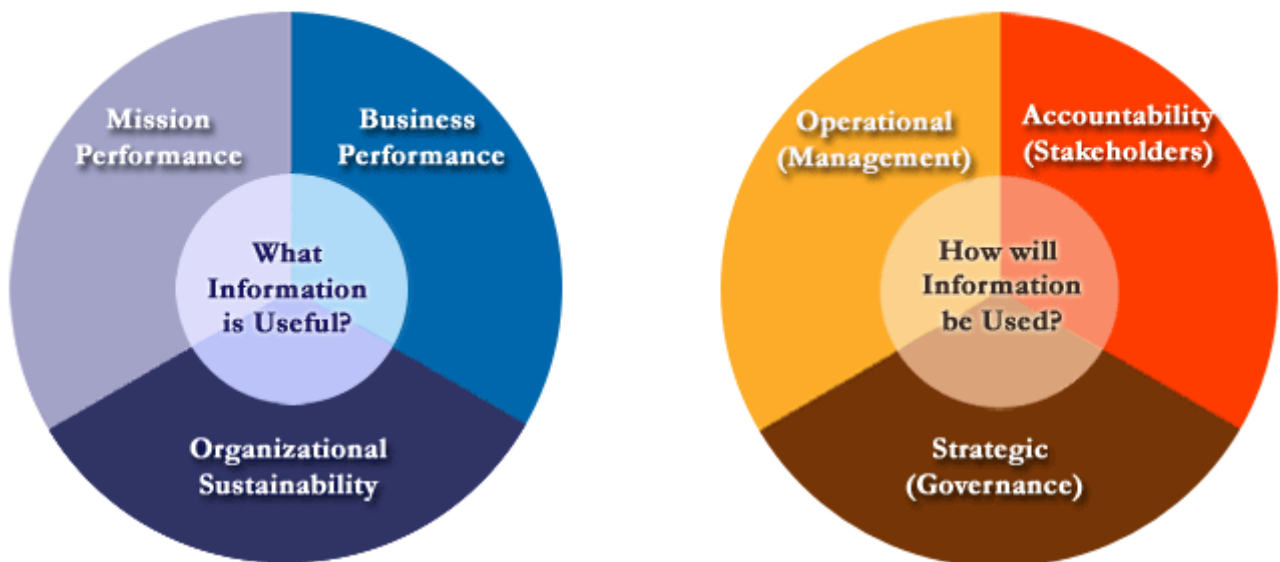
⁵⁴ Enterprising Non-Profits. (2010) *The Canadian Social Enterprise Guide*. Accessed November 17, 2011, from <http://www.enterprisingnonprofits.ca/planning-your-social-enterprise/canadian-social-enterprise-guide>

7.2. HOW DO I MONITOR AND EVALUATE MY SOCIAL ENTERPRISE?

DEMONSTRATING VALUE

Determining how to monitor and evaluate can be a difficult process. We all would like to believe that every aspect of our social enterprise is meeting our expectations. In reality, there will always be areas that you as an individual and you as a team can improve upon. Determining what information you want to know and how it will be used can help you determine what it is you need to monitor and evaluate and for what reasons.


What do you want to know and show?




Source: Demonstrating Value, 2011

Figure 7.1: What do you want to know and show?

Determining what information is useful will typically fall into three broad categories: Mission Performance, Business Performance and Organizational Sustainability⁵⁵.

 **AN ORGANIZATIONAL SUSTAINABILITY PERSPECTIVE** - What information can help you understand whether you are developing and maintaining resources to meet your purpose in the long run?

 **A MISSION PERSPECTIVE** - What information can tell you about the ability of the organization to successfully contribute towards the social, cultural and environmental objectives set out in its mission?


 **A BUSINESS PERFORMANCE PERSPECTIVE** - What information can tell you about the success of the organization from a financial or ‘business’ perspective?


Source: Demonstrating Value, 2011


Thinking about the context of how your information will be used will help you gear it towards the appropriate people. Demonstrating Value identifies three areas that correspond with what information you need to know: Operational (management), Accountability (stakeholders) and Strategic (governance)⁵⁶.

⁵⁵ Demonstrating Value. (July, 2011). Demonstrating value work book: An activity guide to tracking and expressing your organization’s success. Accessed November 15, 2011, from <http://www.demonstratingvalue.org/what-we-offer/our-solutions/tools-and-resources/dv-workbook>

⁵⁶ Ibid., 2011

 **AN OPERATIONAL PERSPECTIVE** - What information do you need to support day-to-day decisions by management and staff? For instance, what can help you stay on top of costs, quality, and delivery of your mission?

 **A STRATEGIC PERSPECTIVE** - What information do you need to support strategic decisions that are often made by a governance body such as a board? This information needs to educate your audience about key trends and events that have occurred.

 **AN ACCOUNTABILITY PERSPECTIVE** - What information do you need to foster and maintain support of the organization? This includes support by investors, community members, employees and beneficiaries of your mission. This audience may have very limited knowledge of who you are and what you are trying to accomplish so your "story" needs to be very crisp.

Source: Demonstrating Value, 2011

TRIPLE BOTTOM LINE

The second or trip bottom line evaluates your business not only on an economic baseline, but also on a social baseline and (depending on whether or not you incorporate the environment into your mission) an environmental baseline as well. The triple bottom line continues to measure profits, but also measures the organization's impact on people and on

the planet. The triple bottom line is a way of expressing a company's impact and sustainability on both a local and a global scale⁵⁷.

You can measure the triple bottom line by creating a scorecard to evaluate whether or not you are reaching your social, environmental and economic goals, objective and values.

SCORECARDS, SURVEYS AND CHARTS

Scorecards and charts are a visual aid for getting the bigger picture of where your venture is succeeding and where there is room for improvement. You can create your own scorecards based upon the values, goals and objectives you set out in your Feasibility Study, your statement of purpose, your overall idea that you developed in 'Getting Started', and your tasks you set out in the 'Implementation' section. Creating a chart of your progress will allow you and your stakeholders to visually see the progress you are making as well. Being able to see the areas that you need to improve in will help you identify the next steps that you need to take.

Surveys can be beneficial in gauging the quality of your product or service. Providing an opportunity for your consumer to provide feedback about their satisfaction with your product or service is an effective way of evaluating the impact that you are having on your target population. Surveying commonly occurs through providing consumers with a scorecard or comment card, but can also be conducted orally as well. You may already have an idea of how your consumers rate your product through regular transactions with your consumers.

⁵⁷ MindTools. (2011). *The Triple Bottom Line: Measuring your Organizations Wider Impact*. Accessed November 17, 2011, from http://www.mindtools.com/pages/article/newSTR_79.htm

A worksheet can be found at the end of this section to help ensure you address every aspect that you want to measure within your social enterprise. This is only meant to act as a template. It is important that you create your own scoring cards and evaluation charts.

FINANCIAL AUDITING

Financial auditing is a tool that you can use to measure the financial status of your enterprise. In section four, Feasibility Study, you identified all associated costs you expected to incur as a result of running your social enterprise. Before you put your social enterprise into operation, it is important to develop a monitoring and evaluation framework for your financial management. Keeping track of all your costs and balancing a budget are essential to ensure that all financial resources are properly managed and allocated to their appropriate use. Setting up monthly, quarterly and/or yearly audits (both internal and external) will help you maintain your books and keep you on track financially.

This step also requires you to be honest about how your social enterprise is performing financially. Conducting audits will help you understand and realize where you need to focus your time and energy in order to improve your financial situation. It will also help you identify the areas that you need to address, whether it be how you are marketing your product, how you are managing your finances or how your product is performing within your consumer market.



Tip

Revisit the financial budget you set out during your feasibility study (or the one you filled out in Section Four).

You may want to visit a local financial planner to help you audit and maintain your books.

Table 7.1: Demonstrating Value

What Information is useful?	How will the information be used?
<p><i>Organizational:</i></p> <p>Quantity of people visiting the website, resource booklets distributed and phone calls.</p>	<p><i>Operational:</i></p> <p>Keeping stock of supplies, maintaining the website, updating information, staffing the enterprise</p>
<p><i>Mission:</i></p> <p>Type of questions/resources being requested, information on the people who use the service, customer feedback on how Kingston Connection helped.</p>	<p><i>Strategic:</i></p> <p>Updating stakeholders on how the enterprise is achieving its social goals, continue to set targets for social goals, identify areas of strength and weakness, improving service and product.</p>
<p><i>Business:</i></p> <p>Financial assessment, number of booklets distributed, quality of product and service, consumer satisfaction, retention of business.</p>	<p><i>Accountability:</i></p> <p>Updating stakeholders and funders, recruiting new businesses, marketing, improving quality of product/service, retaining consumers.</p>

Kingston Connection is almost ready to begin operating. Bob and Sue have everything in place and are looking for different ways to monitor and evaluate the progress of their enterprise. Using the demonstrating value model they have identified information that they want to collect and how the information will be used.

7.3. UPDATING STAKEHOLDERS AND INVESTORS

Your stakeholders and investors have either invested a lot of time, finances or both into your enterprise. It is important to remain accountable to this group. As the demonstrating value framework has identified, being accountable to your stakeholders is a key aspect to monitoring and evaluating your social enterprise. Creating monthly or quarterly updates (or any other pre-determined timeframes) for your stakeholders and investors with the information you gathered from the previous processes will enhance your relationship with them.

Stakeholders and investors want to be kept in the loop regardless of whether your social enterprise is thriving or if it is hitting a few bumps along the way. Your stakeholders and investors may just have the right knowledge, tools or resources that you need to address areas that you are falling behind in. Your stakeholders and investors will be greatly invested into your social enterprise if they are supporting your venture in a financial manner. They want to see your social enterprise succeed as much as you do.

Your stakeholders and investors may also identify specific goals and targets that they want to see you meet. These expectations can feed back into your monitoring and evaluation scorecards and charts that you may have already generated.

7.4. CELEBRATING SUCCESS

Celebrating the successes, big or small, is important to boosting your morale and the morale of those who work alongside you within your social enterprise. Coming together to recognize key milestones will help bring those around you closer together. Celebrating successes will also provide you with an opportunity to showcase to the community just

exactly what your social enterprise is achieving and how people are benefiting from its product or service.

Celebrating your successes will also allow you to recognize the importance of your consumers. Recognizing that you could not do it without your consumers can help strengthen your connection and reputation within the wider Kingston community.

Be sure to hold a grand opening of your social enterprise. This in itself is a success as you've managed to get everything in place to begin the operation and implementation of your idea. Invite local media, politicians, community groups and the general public to attend and get your social enterprise out there. Letting people know that you're open for business and ready to serve is the first step to making connection with not only your consumer group, but also the broader community around you.

7.5. NEXT STEPS

Monitoring and evaluating will feed back into your mission, statement of purpose, values, goals, objectives and tasks. Keeping your social enterprise accountable on all levels will help ensure that you are achieving your social purpose within your community and reaching your target consumer.

Identifying the next steps that you need to take in order to ensure the long-term sustainability of your venture within the community is important. By this point you would have already identified areas that you need to improve upon. Creating a plan on how to address the shortcomings you identified will work towards achieving your social goal. Continue to track your progress through the implementation of each corrective measure. This will help you learn from past mistakes and put into place preventative measures from having a similar situation occur again.

It's the grand opening of Kingston Connection! Bob and Sue are excited and have invited friends, family and community members to mark the launch of their social enterprise. Together, along with their stakeholders, investors and staff, they cut the official ribbon and invite students and the community to come and experience all that Kingston Connection has to offer!

7.6. RESOURCES

Resource	Location
Demonstrating Value	www.demonstratingvalue.org
UNDP Handbook on Monitoring and Evaluating Results	http://www.undp.org/evaluation/handbook/
The Social Enterprise Guide	http://www.enterprisingnonprofits.ca/planning-your-social-enterprise/canadian-social-enterprise-guide
Measuring Innovation: Evaluation in the Field of Social Entrepreneurship	http://www.impactalliance.org/ev_en.php?ID=22746_201&ID2=DO_TOPIC

7.7. WORKSHEET: MONITORING AND EVALUATION CHART

Monitoring and Evaluation Chart

Goal/Objective	Desired outcome <i>What do you hope to achieve? What does its success look like?</i>	Implementation <i>What actions are you going to take to implement your goal or objective?</i>	Monitoring <i>How will you monitor the implementation of your goal or objective? How often? Who is responsible for carrying out the monitoring?</i>	Evaluation <i>What are the results of your monitoring/evaluation</i>	Next Steps <i>Identify the next steps you need to take to ensure you continue or improve the performance of your social enterprise. It is also important to prioritize the areas you need to work on.</i>
e.g. Providing resources to new students in Kingston	Provide help to 100 students once a month	Distribute 'Welcome to Kingston' Resource Books for students	Track how many students contact Kingston Connection for the resource book	85 Students received the Resource Book for this month	Create greater awareness of the Resource Book through Marketing

<i>Re - cap</i>	
By now you should...	<ul style="list-style-type: none"> • Have a functioning Monitoring and Evaluation Plan
In the next section you will...	<ul style="list-style-type: none"> • Review the elements that go into creating a social enterprise.

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CONCLUSION

This toolkit has provided you with a variety of tools and resources to help you on your way to establishing a social enterprise within Kingston. Whether you have gone through the entire Toolkit or only referred to a few sections, we hope that the information and resources you found within have been fruitful. The purpose of this toolkit is to encourage, assist, guide, and provide advice for anyone who is interested in establishing a social enterprise. The developers of this Toolkit hope that every user feels a little more comfortable and confident when going about ensuring their social enterprise or innovation is a success.

The Toolkit was designed to be curvilinear. It is recognized that each individual and/or group takes a different path to establishing a social enterprise. Therefore the sections have been designed to stand-alone, allowing the user to draw from some or all of the techniques and strategies provided. At the same time, sections do build on one another to reflect the progressive steps a social entrepreneur will need to take when establishing a social enterprise. The following is a summary of the tasks and strategies provided in each section.

GETTING STARTED

The Getting Started section has you take your first steps in creating your social enterprise. The concepts within this section had you brainstorm and prioritize ideas of how you could serve a need or a want within Kingston. The resources and tools within this section helped to not only establish your idea, but generate your statement of purpose, goals and objectives. The main points to take away from this section are:

- Assessing your starting point
- Discovering your idea
- Creating your statement of purpose

- Thinking about local resources and support networks
- Beginning to formulate your idea into a product and/or service

FEASIBILITY STUDY

The Feasibility Study section helped you to assess whether or not your idea for a social enterprise is viable within Kingston. It provided you with a variety of tools and information on what a feasibility study involves. The main points to take away from this section are:

- Generating your Goods and Service Plan
- Identifying stakeholders and business partners
- Defining roles within your social enterprise
- Conducting a TOWS Analysis
- Classifying your social enterprise (e.g. Not-For-Profit or co-operative organization)
- Conducting a market analysis
- Identifying your consumer
- Identifying your funding sources
- Generating a Financial Plan

GOVERNANCE AND A SOCIAL BUSINESS PLAN

Section five covered two important aspects; it examined the ways in which legislation influences your social enterprise's Governance Structure as well as provided a foundation for creating a Social Business Plan. The social business plan is integral to any business, whether it is a traditional corporation or a social enterprise. Incorporating your social enterprise is an important step you need to take in order to establish yourself within the community. Furthermore, the classification of your social enterprise will dictate the

structure and governance model you need to adhere by. The main points to take away from this section are:

- Understanding how relevant legislation impacts the incorporation process of your social enterprise
- Developing an appropriate governance structure
- How to prepare a social business plan

IMPLEMENTATION

The Implementation section is where the rubber hits the road in the figurative sense. Having a well laid out plan for the implementation of your idea and business plan is an important aspect of establishing your social enterprise. This section provided you with tools and resources to create a detailed work plan that defined timelines, tasks and responsibilities.

The main points to take away from this section are:

- Understanding what implementation is and looks like
- How to put your ideas into action
- Identifying tasks to be completed and who will complete them
- Relate tasks and time with associated resources and costs
- Generating excitement within your social enterprise

MONITORING AND EVALUATION

The Monitoring and Evaluation section provided you with tools and resources that are useful in measuring the success (or lack of success) of your social enterprise. Specifically it focuses on measuring not only your bottom line, but also your double and/or triple bottom line. It is important to measure the goals and objectives that you set out at the very beginning of this toolkit in Getting Started. The main points to take away from this section are:

- Understanding what monitoring and evaluation is and what it looks like
- Developing an evaluation scheme suited for your social enterprise
- Measuring your double and/or triple bottom line
- Demonstrating value
- Updating you stakeholders
- Financial auditing
- Celebrating success
- Laying out your next steps

In conclusion, this Toolkit is not meant to prescribe the aforementioned steps or procedures. Rather it can be treated as a document from which a social entrepreneur can draw tools that he or she sees useful in establishing their venture.

The project team is very thankful for all of the assistance and feedback they have received during the development process, including input from participants of a focus group, information from social entrepreneurs and community members, and guidance from the project team coaches, David Jackson (Social Planning Council) and Leela Viswanthan and Patricia Collins (professors at the School of Urban and Regional Planning, Queen's University). Without their help this Toolkit would not have been possible.

Finally, the content of this Toolkit has the potential to promote and stimulate community economic development and activity in Kingston and Area. However, in order for this Toolkit to be used to its full potential some important steps and points of action are recommended. The project team has developed a short set of recommendations that they believe will ensure this Toolkit and the social enterprise movement has a noticeable impact on the Kingston community. The list below details them:

1. The Social Planning Council of Kingston and Area formally adopt this Toolkit as a resource;
2. The City of Kingston recognize and support social enterprise and innovation in Kingston, and one way of doing this would be through endorsing this Toolkit;
3. This Toolkit be disseminated so it can be accessed by a wide variety of current and prospective social entrepreneurs. It is advised that this Toolkit be disseminated by the Social Planning Council, the City of Kingston, Social Enterprise and Innovation in Kingston (SEIK) and other business groups and resource hubs;
4. The creation of a supportive network in Kingston made up of social entrepreneurs, established businesses, business schools (Queen's University and St. Lawrence College), academic institutions and the Social Planning Council. The network could draw on the tools presented in this Toolkit and provide support, advice and inspiration for each other; and
5. Finally, the project team wants to stress the idea that the development of a social enterprise and innovation Toolkit be a continual process. Therefore, it is advised that this Toolkit be considered the First Edition. The contents should be revised on an annual basis to ensure it compliments the current economic, social and environments conditions in Kingston.

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AFTERWORD

In order to present the final toolkit to interested residents, organizations, social entrepreneurs and government agencies in the City of Kingston and area, the project team held a final presentation at Queen's University on December 14, 2011. The following covers the conversation, points of discussion and questions from the attendees during the discussion portion of the presentation.

The first two questions provided an opportunity for attendees to consider the definitions of social enterprise and innovation as found in the Toolkit to determine whether these definitions could be altered to more effectively

Q: Is there anything you would add or take away from the above definition of social enterprise?

Social Enterprise Current Definition:

“Social Enterprise is essentially a form of community economic development in which an organization exchanges services and goods in the market as a means to realizing its social objectives or mission”

Suggested revisions:

- Phrasing as ‘economic’ development may be too narrow a focus. Some alternatives include:
 - Community economic development
 - Socio-economic development
- On the other hand, using the term ‘economic development’ may be more effective because it can facilitate more funding opportunities
- It is important to have a continuum in order to help social entrepreneurs visually identify where they fit within the spectrum

- How is this definition “socially meaningful”? Are there ways to adapt the definition so that it more meaningfully reflects the importance of achieving a positive social impact on the community?
- It may be more effective to say services ‘and/or’ goods, rather than simply services ‘and’ goods. This reflects the notion that a social entrepreneur can provide a good, a service, or both
- The term ‘transaction’ may be more appropriate than the term ‘exchange’. The term transaction is a more business minded term and reflects the interaction going on between the consumer and the entrepreneur
- Ultimately, it is important to ensure that the definition is not too specific, as it may become too prescriptive

Question 2: Is there anything you would add or take away from the definition of social innovation?

Social Innovation Current Definition:

“Social innovation is an idea that works for the public good. More specifically, it refers to new ideas that resolve existing social, cultural, economic and environmental challenges for the benefit of people and planet.”

Suggested Revisions:

- More explicitly state that social innovation has the potential to create a more inclusive economy and community
- The definition refers to ‘new’ ideas; however, are there truly any new ideas, or are they simply existing ideas implemented in a new location, or a variation of an already existing idea?
- Innovation refers to an approach, not an idea
- Replacing ‘new’ with the word ‘development’ in front of ideas in the second sentence stresses the importance of the process of idea generation rather than the idea itself

Question 3: Can you think of other ways in which Social Enterprise and Innovation can be promoted in Kingston?

- Disseminate a hard copy to rural communities by making it available at local libraries, government institutions, social clubs, business associations etc.
- Suggestion to hold a workshop/conference in Kingston to detail the use and applicability of a Toolkit for social enterprise in Kingston and area
- Make the Toolkit available on the School of Urban and Regional Planning's website
- Add to the School of Urban and Regional Planning's (SURP) website
- Also consider disseminating the Toolkit to:
 - Social justice groups
 - Sustainable Kingston
 - Kingston Immigration Partnership
 - KEDCO (Kingston Economic Development Corporation)
 - Make toolkit available to potential funding agencies
 - Incorporate digital success stories of social enterprises into the online Toolkit

The notes contained in the afterword are intended to guide further discussion with regard to potential revisions of the Toolkit. As mentioned earlier, this Toolkit is intended to be a working document that will be continuously reviewed and revised to ensure that its contents remain current to fit within the ever-changing definition of social enterprise and innovation. It should also be continually reviewed to ensure that it fits within the Kingston context as the social culture is bound to evolve and shift to reflect changes in the population and its needs and wants.

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GLOSSARY OF TERMS

BRAINWRITING: this technique uses a written approach to brainstorming to generate and develop ideas. This helps you get in-depth ideas from all individuals in a group⁵⁸.

BUSINESS PLAN: a detailed plan that sets out the assets of the corporation, and its operation for a specific period of time, usually three to five years⁵⁹.

CHARETTE: an intensive planning session where citizens, designers and others collaborate on a vision. It provides a forum for ideas and offers the unique advantage of giving immediate feedback to the designers. More importantly, it allows everyone who participates to be a mutual author of the plan⁶⁰.

CONSUMER: A purchaser of a good or service in retail; an end user, and not necessarily a purchaser, in the distribution chain of a good or service⁶¹

CO-OPERATIVE ORGANIZATION: an organization owned by the members who use its services or are employed there. Co-operatives can provide virtually any product or service⁶². Examples include housing co-operatives, worker co-operatives, food co-operatives, etc.

CO-OPERATIVE CORPORATIONS ACT, 1990: an Ontario Government Statute that deals with the incorporation and operation of co-operative social enterprises in Ontario⁶³.

CRAWFORD'S SLIP APPROACH: a brainstorming technique that helps you get plenty of ideas from all participants in your session, and gives you a sense of the popularity of each idea⁶⁴.

DOUBLE BOTTOM LINE: The simultaneous pursuit of financial and social returns on investment - the ultimate benchmark for a social enterprise or a social sector business.⁶⁵

⁵⁸ MindTools. (2011).

⁵⁹ Business Development Bank of Canada. (n.d.). *Business Plan*. Accessed November 12, 2011, from http://www.bdc.ca/en/advice_centre/tools/business_plan/Pages/default.aspx

⁶⁰ The Town Paper. 2011. *What is a charette?*. Accessed December 10, 2011, from http://tndtownpaper.com/what_is_charrette.htm

⁶¹ Business Dictionary. (2011) *Definition of Consumer*. Accessed December 09, 2011 from <http://www.businessdictionary.com/definition/consumer.html>

⁶² Canadian Co-operative Association. (2008). *What is a co-operative?* Retrieved October 23, 2011, from http://www.coopscanada.coop/en/about_co-operative/about_co-ops

⁶³ Co-operative Corporations Act, R.S.O. 1990, c. c.35, s.85

⁶⁴ MindTools. (2011).

EVALUATION: a management process that is a rigorous analysis of completed or ongoing activities that determine or support management accountability, effectiveness, and efficiency⁶⁶.

FEASIBILITY: a formalized, written approach to evaluating your idea and can help you identify: if your idea is viable or not, useful facts and figures to aid decision-making and alternative approaches and solutions to putting your idea into practice⁶⁷.

MARKET ANALYSIS: defines specific problems or unveils an opportunity in a market⁶⁸.

MIND MAP: A two-dimensional structure, instead of the list format conventionally used to take notes⁶⁹.

MONITORING: the supervision of activities in progress to ensure they are on-course and on-schedule in meeting objectives and performance targets⁷⁰.

NOT-FOR-PROFIT ORGANIZATION: business that sells goods or provides services in the market for the purpose of creating a blended return on investment, both financial and social. Profits are returned to the business or to a social purpose, rather than maximizing profits to shareholder⁷¹.

NOT-FOR-PROFIT CORPORATIONS ACT, 2010: an Ontario Government Statute that deals with the incorporation and operation of not-for-profit social enterprises in Ontario⁷².

PARTNERSHIPS: a formal agreement between two or more parties that have agreed to work together in the pursuit of common goals⁷³.

⁶⁵ Institute for Social Entrepreneurs. (2007) *Toward a Better Understanding of Social Entrepreneurship: Some Important Definitions*. Accessed December 9, 2011 from <http://www.socialent.org/beta/definitions.htm>

⁶⁶ Ibid.

⁶⁷ Together Works Community Interest Group (n.d). *How to Write a Feasibility Study*. Accessed December 7, 2011 from <http://www.togetherworks.org.uk/index.php?q=node/61>

⁶⁸ Business Strategic Excellent. (n.d.) *Conducting Your Market Analysis Before Business Launch*. Accessed December 9, 2011 from <http://bizse.com/buzz/conducting-your-market-analysis-before-business-launch/>

⁶⁹ MindTools. (2011).

⁷⁰ Business Dictionary. Accessed November 17, 2011. www.businessdictionary.com

⁷¹ Enterprising Non-Profits. (n.d.). *The definition of social enterprise*. Retrieved October 26, 2011, from <http://www.enterprisingnonprofits.ca/what-social-enterprise/definition-social-enterprise>

⁷² *Not-for-Profit Corporations Act*, S.O. 2010, c.15

PERFORMANCE MANAGEMENT: provides you with information such as: confirming your enterprise is on the right track, where you need to adjust and improve planning, improving day-to-day operations, building and maintaining support of outsiders and preparing for the demand for facts⁷⁴.

ROUND-ROBIN BRAINSTORMING: This technique helps you ensure that people will contribute great ideas without being influenced by others in the group⁷⁵.

SOCIAL BUSINESS: an organization that has put in place the strategies, technologies and processes to systematically engage all the individuals of its ecosystem (employees, customers, partners, suppliers) to maximize the co-created value⁷⁶.

SOCIAL ENTERPRISE: organizations that are run like businesses, producing goods and services for the market economy, but manage their operations and redirect their surpluses in pursuit of social and environmental goals⁷⁷.

SOCIAL ENTREPRENEUR: someone who recognizes a social problem and uses entrepreneurial principles to organize, create, and manage a venture to make social change⁷⁸.

SOCIAL INNOVATION: refers to new ideas that resolve existing social, cultural, economic and environmental challenges for the benefit of people and planet⁷⁹.

⁷³ Service de police de la Ville de Montréal. (n.d.) *Definition of a Partnership*. Accessed December 8, 2011 from http://www.spvm.qc.ca/en/service/1_5_3_1_definition-partenariat.asp

⁷⁴ Enterprising Non-Profits. (2010) *The Canadian Social Enterprise Guide*. Accessed November 17, 2011 from <http://www.enterprisingnonprofits.ca/planning-your-social-enterprise/canadian-social-enterprise-guide>

⁷⁵ MindTools. (2011).

⁷⁶ Social Business Forum. (n.d.). *What is a social business?* Retrieved November 25, 2011, from <http://www.socialbusinessforum.com/what-is-social-business/>

⁷⁷ Ontario Social Economy Roundtable. (n.d.). *We mean business. And a lot more*. Retrieved October 26, 2011, from <http://www.oser-treso.org/>

⁷⁸ Canadian Social Entrepreneurship Foundation. (2006). *What is a social entrepreneur?* Retrieved November 3, 2011, from http://www.csef.ca/what_is_a_social_entrepreneur.php

⁷⁹ Centre for Social Innovation. (n.d.). *Social innovation*. Retrieved October 26, 2011, from <http://socialinnovation.ca/about/social-innovation>

SOCIAL PURCHASING: looks at the multiple impacts social purchasing can have – employment opportunities, decreased poverty, social inclusion and community economic development. It is proactive not reactive and generates social opportunities.⁸⁰

STAKEHOLDERS: a person or group that has an investment, share, or interest in a business or industry.

STARBURSTING: helps you brainstorm the questions you need to ask to evaluate a proposal⁸¹.

STATEMENT OF PURPOSE: a statement that captures succinctly why the organization exists and what it does. It should be memorable enough so that everyone connected to the organization can remember it and use it⁸².

STEPLADDER TECHNIQUE (BRAINSTORMING): members contribute on an individual level before being influenced by anyone else. This results in a wider variety of ideas. It prevents people from "hiding" within the group, and it helps avoid individuals from being overpowered by stronger, louder group members⁸³.

TOOLKIT: A document containing tools and resources to assist you in establishing a social enterprise.

TOWS ANALYSIS: A Threats, Opportunities, Weaknesses and Strengths Analysis helps you get a better understanding of the strategic choices that you face⁸⁴

TRIPLE BOTTOM LINE: The simultaneous pursuit of return on investment in three areas - financial, social and environmental.⁸⁵

⁸⁰ Enterprising Non-Profits (n.d.) *What is Social Purchasing?* Accessed December 7, 2011 from <http://www.enterprisingnonprofits.ca/e-library-resources/social-enterprise-purchasing-toolkit/what-social-purchasing>

⁸¹ MindTools. (2011).

⁸² Leading Resources Inc. (n.d.). *Purpose Statement*. Accessed December 7, 2011, from www.leadingresources.com/learning/leadership/strategicplanning/purposestatement/

⁸³ Mindtools. (2011). *Stepladder Technique: Making better group decisions*. [online]. Accessed December 10, 2011, from <http://www.mindtools.com/pages/article/newTED_89.htm>

⁸⁴ Mind Tools. (2011) *Using the TOWS Matrix: Developing strategic options from an external-internal analysis*. Accessed October 23, 2011. http://www.mindtools.com/pages/article/newSTR_89.htm

⁸⁵ Institute for Social Entrepreneurs. (2007) *Toward a Better Understanding of Social Entrepreneurship: Some Important Definitions*. Accessed December 9, 2011 from <http://www.socialent.org/beta/definitions.htm>

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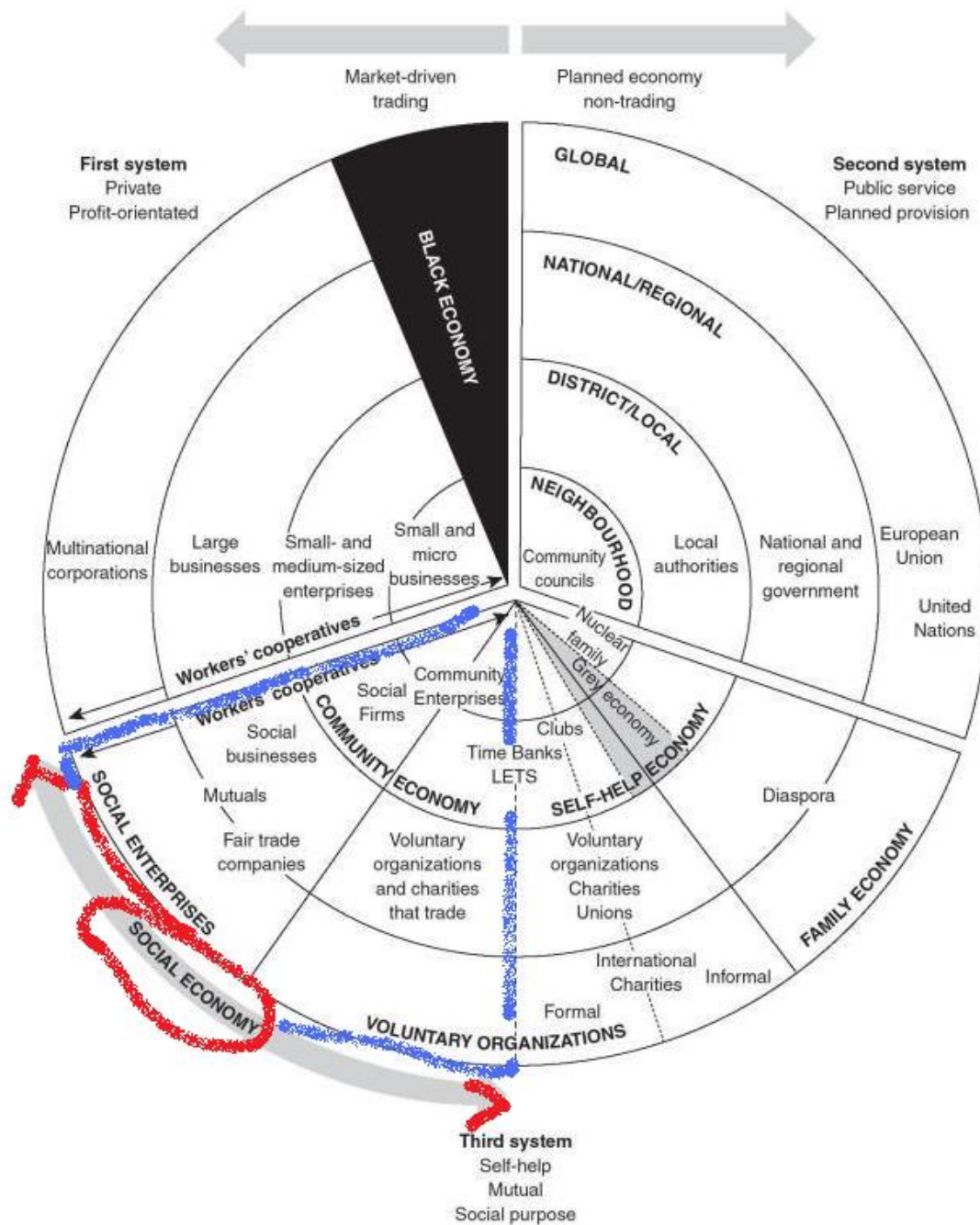
APPENDIX A: EXAMPLES OF SOCIAL ENTERPRISE IN KINGSTON, ONTARIO

Social Enterprise	Type of Organization	Description	Website/Contact
Voices Opportunities & Choices Employment Club	Not-for-profit organization	Creates and provides employment for consumers of mental health. The corporation is run by a community volunteer Board of Directors responsible for overseeing social enterprise businesses in the Kingston area.	http://www.vocec.com/index.html
Social Enterprise and Innovation Kingston (SEIK)	Resource Centre	This centre (once inaugurated) will act as a hub for individuals and organizations with social objectives. The centre will help foster community-oriented enterprise by increasing economic, social, and voluntary activities.	Website under construction. Contact the Social Planning Council of Kingston in meantime.
Kingston Co-operative Homes Inc.	Co-operative	All residents collectively own and manage the property and buildings. The co-op has a Board of Directors who are elected by the general membership to manage and supervise operations.	http://www.kingstonco-phomes.ca/index.html
Village Co-op, Portsmouth Village	Co-operative	Will offer a range of local organic products while engaging and educating the community on seasonal eating, sustainable farming, fair trade, food justice and feeding ourselves as a region.	http://www.villageco-op.org/

Hearthmakers Energy Co-operative	Co-operative/Not-for-profit	Provides services and programs to improve the environmental sustainability of Eastern Ontario homes, businesses and communities.	http://www.hearthmakers.org/about-us
Lois Miller Co-operative Homes Inc.	Co-operative/Not-for-profit	84 suite co-op housing community located in three low-rise apartment buildings. Members jointly own the housing they live in and individually occupy their homes.	http://tmoz.com/svco/lmchi1.html
Cataraqui Co-operative Homes Inc.	Co-operative/not-for-profit	Established in 1988, this co-op consists of 26 row houses. Members jointly own the housing they live in and individually occupy their homes.	http://tmoz.com/svco/cataraq1.html
The Sleepless Goat Café Workers Co-operative	Worker's Co-operative	Enterprise that is owned and democratically controlled by the employees. The main purpose of the co-op is to provide employment for its members, each of which has one vote regardless of how much money they have invested.	http://www.thegoat.ca/main.html
Weller Arms Non-Profit Homes Inc.	Not-for-profit housing	Founded in 1989. The thirty suite low rise apartment building provides both market and assisted rents geared to the income of the household. Senior applicants are given priority for housing.	http://wellerarms.ca/
The Artel	Hybrid social enterprise	Live-in artist-run gallery, venue and collective committee to fostering artistic growth by providing emerging artists with a supportive and stimulating environment.	http://www.the-artel.ca/wp/about-us/
Cataraqui Archaeological Research Foundation (CARF)	Not-for-profit organization	Organization dedicated to the recognition, investigation, and preservation of Ontario's rich archaeological resources.	http://www.carf.info/

MusicMates Inc.	Not-for-profit organization	This is an organization in Kingston designed to bring social interaction opportunities to people with social and special needs through the use of music	http://musicmatesinc.com/
John Howard Society of Kingston and District	Not-for-profit organization	This organization provides and develops a wide range of community based services that address crime and its causes through the provision of prevention and intervention services, as well as advocacy and public education.	http://www.johnhowardkingston.ca/
Complex Co-operative Nursery School	Not-for-profit, co-operative	Each family contributes to the daily running and maintenance of the school. Parental involvement is not merely suggested, but is required. Parents are given the opportunity to participate in their child's first school experience through volunteer duty days, volunteer responsibilities and fundraising.	http://www.ccnskingston.com/index.htm
Science '44 Co-op	Co-operative	Provides housing to students in Kingston. The residents are the owners, and they make decisions about the house that best suit their needs as opposed to the interests of the landlord.	http://www.science44co-op.com/

APPENDIX B: THE SOCIAL ECONOMY



APPENDIX C: FOCUS GROUP RESULTS DOCUMENT

Focus Group: A discussion on Tools to be included in a Social Enterprise and
Innovation Toolkit for the City of Kingston and area

School of Urban and Regional Planning, Queen's University

Robert Sutherland Hall, Rm. 554

October 25th, 2011

Agenda

Time	Description
3:05	Presentation of Student Project
3:10	Large Group – Task Identification
3:20	Task Prioritization
3:25	Small Group Discussion – Tool Identification
3:35	Tool Prioritization
3:40	Questions, Comments, Feedback
3:50	Final Comments
4:00	Conclusion of Focus Group
4:05	Informal Discussion

Meeting Notes

Question: What are the tasks that individuals and/or organizations need to complete in order to establish and manage a successful social business venture?

Tasks Identified by Presenters:

- 1) Identify your Consumer
- 2) Financial Planning
- 3) Governance Structure

Tasks identified by the focus group participants in order of priority:

- 1) Identify goals and objectives
- 2) Secure funding
- 3) Product research and establishing your social endeavour
 - Location analysis
 - Rent vs. buy (property)
 - Making community connections and partnerships
 - Finding suppliers and purchasers
- 4) Monitoring/evaluating progress
- 5) Marketing and promotion

Question: What tools *would* you find useful and/or what tools *have* you found useful in achieving the identified tasks?

TASK 1: Identify your Consumer

- Identify your product before targeting a consumer group
- Identify your values
- Identify stakeholders
- Use local government to identify populations in need of a service
- Identify competitors and the goods/services they offer
- Conduct a market and SWOT analysis (strengths, weaknesses, opportunities and threats)

TASK 2: Financial Planning

- Spreadsheet for annual budget
- Recruit bookkeeping service
- Financial sustainability plan
- Inexpensive accounting system
- Open a bank account
- Identify status of social enterprise (e.g. not-for-profit, co-operative)
- Identify current and prospective scale of social enterprise
- Identify appropriate funding sources
- Fundraising
- Gain board and operating insurance
- Establish an emergency fund

TASK 3: Governance Model

- Identify goals and objectives
- Seek advice on the pros and cons of various governance structures

- Identify like-minded business partners
- Identify stakeholders

Question: Which tools do you believe to be most important (top 5)?

- 1) Seek advice on the pros and cons of various governance structures
- 2) Identify your product/service
- 3) Conduct a market and SWOT analysis
- 4) Identify goals and objectives
- 5) Identify your values

Overall Themes

- Idea/product development was noted to be a crucial part of the process in an individual or organization's venture
- The Toolkit should differentiate between a commercial business and social enterprise
- It is critical that a social enterprise clearly identify its goals, objectives and values

General Comments

The project group greatly appreciates you taking time out of your busy schedule to provide us with your knowledge and expertise. If you have any additional comments please do not hesitate to contact us (see contact information below). The information you have provided will certainly provide context for this “Kingstonized” Toolkit. Also note that the activities that resulted in a prioritization of tasks and tools will not limit the group from examining all of the other valuable input you provided.

APPENDIX D: QUICK SCAN ANALYSIS

SPC/SURP 823

Quick Screen Matrix: Social Enterprise - Relocation Services Project, Business/Social Analysis November 2011 Ver 3

Draft Data

Initial Draft for Review and Comment

Business Screen of: Proposed Social Enterprise Relocation Services Kingston Project, Financial Investment - Approximately \$xx

Review social, land use, legal, financial or regulatory issues

(subject to detailed business plan analysis; soft / hard cost analysis, etc.)

Legend: Positive Criterion Average Criterion Negative Criterion

SE - Social Enterprise SEC - Social Enterprise Centre SIK - Social Innovation Kingston
CoK - Corporation of the City of Kingston SF - Sirolli Facilitation

1. Service and Administrative Related Issues

Criterion

Need/Want/Problem/Pain-Point
Social enterprise needs
Payback - SEIK/SE Developer
Value added or created
SE, Housing, Parking & Other Services
SE needs growth rate
Gross Cost

Higher Potential (HP)

Community uses vs. public vs. private uses - SF
Community needs, Student needs, financial issues
Value of service - social, land use, financial indicators
Value created by new community uses - SF
Potential for broadening community uses?
SE needs for office or administrative space?
Estimated start up cost?

Lower Potential (LP)

LP -Market perception of service?

Overall Potential

1. Administrative
2. Costs

Higher (H)

H - Quick Project Turn around; good scope for future expansion since possible relocation service opportunities are under uti
Financial and Social costs projection?

Average (A)

Lower (L)

2. Advantages: Relative to using the existing office, a school conversion, or leasing space

Criterion

Fixed and variable costs
Degree of Control
Prices and cost
Service Control and Development
Barriers to competitor's entry
Proprietary advantage
Lead time advantage for
project development
Service Chain
Contractual Advantage
Contacts and Networks

Higher Potential (HP)

HP - Extremely low fixed and variable costs likely even in the most conservative of cost projections

Lower Potential (LP)

HP - Easy SE project option to control costs?
HP - Well defined and planned services; possible services currently under utilized
HP - SE flexibility to further develop services for student or comm
Alternative options: franchising, agents, other issues?
HP - Level of complexity for project development?
HP - Specific in-house technical and management skills can be used? Ease in redeploying space?
HP - Complexity of service chain processes for development and administration?
HP - Ability to obtain varying construction or development prices
HP - Can SE draw on experience from managing or developing similar properties?

Overall Potential

1. Costs
2. Channel
3. Barriers to project
4. Timing

Higher (H)

H - Financial cost structure feasible? Level of risk?; net present value (NPV) of comparative development options
H - Strong interest from existing and future students?, Queen's, St. Lawrence, RMC
H - Moderate barriers to project development
H - Can project can move forward immediately?; Other development timing issues?

Average (A)

Lower (L)

3. Value Creation and Realization Issues

Criterion

Potential operating savings
Time to breakeven
Time to positive cash flow
ROI Potential
Value
Capitalization requirements
Exit mechanism

Higher Potential (HP)

HP - Likely to be the least cost project from an operating perspective?
Calculate in business plan indicator...
Calculate in business plan indicator...
Return on investment?: net present value?
HP - Strategic long term value created by enhancing and focusing relocation services?
Complexity of Capital Requirements?
HP - Relative ease to shift uses or strategy for SE services in the future?

Lower Potential (LP)

Overall value creation potential	Higher (H)	Average	Lower (L)
1. Timing	H - Project can be completed within about 6 months		
2. Net cost to the board	H - Lowest Net Present Value subject to comparison with other SE project development options?		
3. Exit/liquidity	H - Simplicity of project allows easy conversion to other services if the project cannot go forward? H - Potential for future capital gain if the SE organization is sold or integrated into the operations of another organization?		

4. Overall Potential

Criterion	Go (G)	No Go (NG)	Go,if... (Gi)
1. Margins and Markets	G - Reasonable project cost margins and well identified service and administrative needs?		
2. Comparative Advantages	G - Specialized service needs can be delivered and administered most easily from a web site or mobile app?		
3. Value Creation and Realization	G - Value created in the community by the project		
4. Fit "O" + "R" + "T"	G - Do Opportunity + Resources + Team all it well together as shown by the various criterion in this Quick Screen analysis?		
5. Risk-Reward balance	G - Capital cycle / quick project turn around may mitigate risks and lead to reduced operating costs after the first year		
6. Timing	G - Some complexity in development options		
7. Other compelling issues: must know or likely to fail:			
a. Potential high risk perceptions issues of new SE services... issues in marketing them widely?			
b. Strong, experienced SE management team with detailed operational knowledge can be developed?			
c. Sufficient capital appears to be available for SE project development?			
d. Importance of social, land use, legal or regulatory issues that could constrain the investment?			
e. The SE concept appears flexible enough that the Board and management can relatively quickly change existing and future services?			
f. Moderate or environmental issues in development of the SE Relocation services?			
g. Limited or no political issues in developing the SE project?			
h. Definable administrative and technical and advantages to intensifying use of SE relocation services?			
i. SE can have a high degree of control over fixed capital costs, and can easily project incremental operating costs?			

Notes:

1. Initial Quick Screen evaluation is based on SPC-SURP SEI Toolkit project report prepared in Fall 2011 supplemented by comments from stakeholders
2. Review Net Present Value of each other options if these can be projected
3. Synergies with service/administrative space adjacent to existing services

Definitions:

Observation:

--> Single most important issue may be marketing rather than financial <--

QUICKSCREEN SUMMARY:

Review of Key Criterion

No significant negative criterion if projections/funding analysis is correct?

Appears to be the moderate cost capital option; compared existing or alternative uses

Risks can be quickly managed or mitigated?

	Project A
Total Positive Criterion:	xx
Total Average Criterion:	xx
Total Negative Criterion:	xx

Recommendation: Based on the preponderance of positive criterion, analysis in the SE project should proceed for detailed review to satisfy any remaining stakeholder concerns prior to development?