

Social Enterprise Guide



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“Co-operative enterprises provide the organisational means whereby a significant proportion of humanity is able to take into its own hands the tasks of creating productive employment, overcoming poverty and achieving social integration.”

Kofi Annan, Former UN Secretary General

Introduction

This user-friendly Social Enterprise Guide is for anyone interested in the creation of a social enterprise that is owned, run and supported by their school community. The guide outlines the process, step-by-step to enable young students and their teachers to replicate the social enterprise model.

The guide introduces entrepreneurial skills and business ethics to young people and explores the co-operative values necessary for the success of the social enterprise, providing operating guidelines, critical model steps and procedures for identification of potential school community members, participation criteria in the social enterprise model and sustainability factors for the model to succeed.

Setting up a social enterprise is a challenge, but a stimulating one which involves enthusiasm, planning and negotiation. It requires entrepreneurship and the ability to stay focussed, work hard and make joint democratic decisions. It also needs the skills to bring people together and to motivate them, as well as having an inspiring idea for the making and selling of goods, providing a service, or implementing changes you want to make in a community.

The guide covers the journey from when an original idea is conceived, to the launch and sustainability of the social enterprise. This guide is divided into several stages including how the idea is developed in the initial days, deciding who will have what relationship with the social enterprise (i.e. who are the members), describing who you are and/or who are the proprietors of the enterprise. It explains in details the roles and responsibilities in the start-up process, working up the idea, how the idea is to be financed, formalising the structure, getting organised, checking back with the school community to assess whether the social enterprise is on track,

recruiting more members, identifying who are the eligible members, inviting members/ community members to join, ensuring everything is finally in place, launching the social enterprise and the key activities that members need to do to keep going.

Introduction to Social Enterprise and Co-operatives

Social enterprises are businesses that make a profit but prioritise other social factors, such as the environment and equality. Thus instead of the **single bottom** line of profit they have **multiple bottom lines**, including the effect on the **environment** and the **community**. By including their workers as part of that community they ensure that their staff gain from the enterprise and have ways of expressing their ideas and opinions in the way the enterprise business is run.

One of the key differences between **social enterprises** and other businesses is that they can be owned and run by their school, or teachers and students and/or their workers. This is called a **co-operative** or co-op.

It is important to note that the guide uses school community as an enterprise to showcase what is possible and how different groups can approach the process of starting up a co-operative or community enterprise. However, the process and issues are the same whether you are taking over your local shop, running a community-supported agriculture scheme or starting a community-owned and run media enterprise such as a newspaper or cinema.

Acknowledgements

The guide was developed in collaboration between the HEC Global Learning Centre, London and the Uganda Co-operative Alliance (UCA) who provided support and valuable information that led to successful completion of this manuscript.

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The authors wish to thank students from Tower Hamlets who contributed through their participation in the “Banking on the World” project and pupils from St. Paul Kyempitsi and Mushanga primary schools, Western Uganda. The authors further thank the respective school teachers who provided insightful feedback.

Thanks also go to Michael Newman for initiating the project and Noel Treacy for the artistic illustrations.

Design: Sharifa Khanom, HEC Global Learning Centre, London.

Lastly, it must be stressed that the views expressed in this Social Enterprise Guide are those of the authors based on their understanding of social enterprise. Therefore, the authors, and not HEC and UCA, take responsibility for any errors or omission that may be found

Background to Social Enterprise and the Guide

The purpose of this guide is to help teachers, boards of governors, school management and other donors to support young people in designing activities and programs that deliver high quality production, marketing and financial services to social enterprise members. This guide is aimed at students particularly in primary and secondary education, co-operative institutions, school communities, planners and any other interested parties who are involved in promoting and increasing incomes through social enterprise development and agribusiness related activities.

It is intended to influence school and government planners so that they can put in place mechanisms to encourage young people at the local level to adopt the social enterprise model to develop themselves and their communities through a co-operative system. In addition, the guide seeks to create enthusiasm and interest among young people and development practitioners so that they use this social enterprise model, which hinges on community-based social enterprise co-operative, as the preferred option for increasing and enhancing incomes.

This Social Enterprise Guide is a user-friendly manual that details the operational guidelines of the Social Enterprise Guide step-by-step to enable young students/youth and other development workers working in similar conditions to replicate the social enterprise model.

The Social Enterprise Guide provides the operating guidelines, critical model steps, implementation strategy, and procedures for identification of potential school community members, participation criteria in the social enterprise model, and sustainability factors for the model to succeed. The enterprise model implementation guidelines give a framework on the operation of the model step-by-step with an aim of empowering social enterprise/co-operative members to confront the challenges of poverty reduction.

Introduction

STAGE 1: Starting up a Social Enterprise

This section will provide you with all the background information to set in place a social enterprise in your school and with help you to have better understanding of:

- Who can get a social enterprise going in school
- How to establish a Founding Group, including allocating the roles of Spokesperson, Note Taker and Meetings Organiser
- How you can gain teacher support and the type of support adults can provide
- Ideas for making the education case to teachers
- What social enterprises and co-operatives are and how they differ from other business models
- Social enterprise and co-operative values
- Considerations regarding a name and thinking through ideas for your enterprise
- Steps to get official support for your business enterprise

1.1 Who starts a Social Enterprise in a School?

Anyone in a school can start a social enterprise with membership open to all students and teachers. However, it usually arises from a group of students with an idea which benefits the community. This initial group of students are called the Founding Group members.

Firstly, you need to consider who it would be helpful to involve in the social enterprise; particularly who might help to create interest and support for your business idea within school.



Who to involve?

There are two approaches:

- A. You could focus on a small group of students who may be from your class or your immediate friends;
- B. You could involve many more from across the school in the processes of decision-making and planning.

Each approach has advantages and disadvantages. Setting up a social

enterprise with a small group of students could quickly result in starting business trading. However, it will lose out on the benefits of having more people putting in their ideas and efforts.

Involving many more people will take more time but it may result in a more sustainable business, with less risk of failure. Where a social enterprise is dependent on the school community, for example in their roles as customer, employee, volunteer or supporter, then it does make sense to involve them early in the process.

Either way the first step is to talk to groups of friends or others who might be interested in working together. You may already have an idea which would be beneficial to your community or school. Your social enterprise could involve buying and selling, manufacturing, assembling, packaging, providing services, media, entertainment, education or just about anything else your imagination can come up with.

Remember that a social enterprise is about working together and sharing power. That means that once everything is set up, the Founding Group members will have to stand for election.

Starting up --- Establishing --- Work in Progress --- Up and running

Teacher Support

A social enterprise formed by students requires significant teacher support. Although it is not necessary for the teacher to have experience in business, they must be prepared to spend time and energy to support the enterprise. Teachers providing this support could be given a title, such as Patrons, Mentors or Executive Advisers.



Roles of the Mentor Teacher

The role of the teacher is to facilitate the group by:

- Helping to gain the support of the headteacher, fellow staff and school management
- Being the responsible adult at the meetings
- Helping the group gain access to school rooms
- Giving advice
- Helping to set up an account for the money with the local Credit Union
- Possibly being the adult account holder
- Ensuring that the Treasurer is doing his/her job

Making the education case for Social Enterprises in Schools

Social enterprise in your school offers students the opportunity to develop key enterprise and personal skills effectively, such as innovation, risk management, creative thinking, ethical considerations and instilling 'can-do' attitudes.

Students will be doing something worthwhile and making a difference, whilst having a great deal of fun at the same time. Being involved in a social enterprise initiative will provide opportunities to inculcate what are often referred to as 21st-century skills, such as working in teams, dynamic and shared decision-making, creative and critical thinking, problem solving, coping with uncertainty, collaboration, conflict resolution, communication skills, self-awareness and responsible action, as well as developing leadership skills and community outreach.

Students become highly engaged in learning opportunities provided by this type of activity and many students who have become disaffected or disinterested at school often respond extremely well to real-life learning situations. Skills such as speaking, listening, organisational and presentation skills, as well as financial planning and management skills can be developed.

Many schools involved in social enterprise initiatives find that the experience has a direct impact on over all educational success and that students go on to use their newly acquired skills in other aspects of their studies and their lives after formal education.

1.2 Establishing a Founding Group

The Founding Group develops the initial stages of the social enterprise. At the first meeting of the group you will need to consider such things as the roles people are going to take on, a name for your social enterprise and your business ideas.

Roles of the Founding Group members

Your social enterprise will need to have a spokesperson, a Note Taker and a Meetings Organiser. There may be other roles to consider and some suggestions can be found in **Appendix A**.

The following are suggested job descriptions for posts on the Founding Group. Job descriptions for other posts can be written as and when necessary.

Chairperson: to chair and control meetings, decide who is to speak, ask for votes on decisions and to take the lead on appointing someone to count the show of hands, to ensure that the meeting succeeds and that decision-making is followed up.

Secretary: to prepare an agenda for meetings, to write key documents, to record the decisions and to count the votes and let people know what has happened in the meetings, what decisions were made and who is responsible for carrying them out and when (minutes).

Starting up --- Establishing --- Work in Progress --- Up and running

Meetings Organiser: to book the meeting spaces, to make sure everyone knows when the meetings are and where they will be held, to ensure all the right people are coming, to check that refreshments are provided if needed, to promote the event, to oversee that the event is working well, to make sure that everything is tidy and clean after the event.

Selecting the name of a Social Enterprise

You may want to think of a name for your enterprise. Although this may change once you are fully established, a working title will be very useful to get things moving forward and to avoid confusion. You may also want to consider early ideas for a logo.

Business ideas

Uganda Co-operative Alliance (UCA) recommends that small social enterprises should have three strands to increase the likelihood of success and to ensure the sustainability of a business.

For example, in Uganda an enterprise between schools involved in a partnership or link, could have the following strands:

1. Making / growing a product / service for a local market
2. Making / growing / developing a locally produced product to export for the partner school to sell
3. Allowing others to use the social enterprise or school partnership to sell a particular product on behalf of members of a social enterprise

You may have lots of ideas but for any business to succeed it is important to do your research. You need to think carefully

about your area, your surroundings, your potential products and whether other people are already working on the same idea or product that you have thought about.

You should be considering ideas for which there is a real need and look at possible solutions. Together you will need to agree on the overall aim and be clear about what you are hoping to achieve. Defining the purpose will help you to explain what impact you will create, both in your school community and to potential members of your social enterprise.

A really important question to consider is whether your idea is the basis for a sustainable enterprise. Alternatively, your idea may be more like a charitable project or campaign. In that case it is perhaps more appropriate for a voluntary or community group to take on the idea.

The following questions should help you to clarify the purpose of your social enterprise. You should also take into account the strengths and weaknesses of your particular group.

- What is your motivation?
- What are you going to do?
- Is anyone already doing it?
- Is there a sound business prospect?
- Could your idea fly?
- Does anyone else need to be involved at this stage?

The benefits/advantages and disadvantages of the social enterprise should be explored within the Founding Group in order to present the social enterprise to a wider group and to recruit membership.

Practical Actions:

Consider your enterprise ideas

Write up the selected idea and the social benefit

How will you present the ideas to others?

How will you prepare for presenting the idea to others?

Prepare second and third back-up ideas in the same way

Which idea do you prefer?

Could you pursue multiple ideas at the same time?

Starting up --- Establishing --- Work in Progress --- Up and running

1.3 Gaining an Understanding of Social Enterprise, Co-operative Values and Fair Trade

Before you can raise awareness across the school or approach others with your ideas for a social enterprise, you need to make sure that everyone in the Founding Group understands social enterprise principles, co-operative values and the principles of Fair Trade.

A useful summary can be found in **Appendix B**. This could be used to make sure that the Founding Group have a shared understanding about these matters. It will be very useful again, when informing people who are interested in joining your social enterprise.

Links to Global Learning and Development Studies

Social enterprise has the potential to help the world's poorest people find a way to improve their lives. For example, people increase their bargaining power by being part of a larger group or share the costs of new technology which would be too expensive to buy individually. Or another example could be farmers processing their crops using shared facilities or collective bulk purchasing. Risks are reduced by working together and that collaboration can spread both the risks and the benefits.

In 2002 the International Labour Organisation recommended that co-operatives and social enterprise should be considered as one of the pillars of national and international economic and social development. Along with the International Co-operative Alliance, they agreed to focus on ways in which social enterprise can contribute to the achievement of the Millennium Development Goals. You can find out more about the Millennium Development Goals at www.un.org/millenniumgoals and www.oxfam.org.uk/education/resources/change-the-world-in-eight-steps

1.4 Getting Official Support

Arrange a meeting with the Head Teacher to gain permission for setting up the social enterprise, and another, at a later stage with the staff to raise awareness and brief them about the business idea. The mentor teacher can help in arranging these meetings. Once the business idea is accepted by everyone, a link teacher or a small team of staff may be selected to help co-ordinate the work of the students' Founding Group.

It is important to prepare for such meetings with a clear structure of what to say and why. Prepare a list to use as the basis for discussion and provide a copy in advance to the Head Teacher so that they know what is going to be discussed and what you are asking for. You could consider asking for the following:

- Permission and support for you to run your business
- Senior Management support for the Mentor Teacher
- Enough time in or outside the timetable
- Physical space within school
- Use of a computer, printer, paper etc.
- Contacts with community members that might help
- Point of sale space
- Support to organise and recruit members
- Permission for an account with a local Credit Union or bank
- Start-up funding
- Training on social enterprise for the Founding Group members

The Head Teacher may also suggest other people who can help including governors or members of the Parents Teachers Association (PTAs). PTAs can help social enterprises to start and become successful businesses. They can offer advice, training and possibly financial support, such as start-up funding.

You could also consider asking the Head Teacher to be the guest of honour to launch the first school community meeting.

STAGE 2: Establishing a Social Enterprise

This section will provide you with all the necessary information to take your ideas for a social enterprise to the next stage. Reading this section enables you to have a better understanding of:

- how to prepare for the first Whole School Community meeting
- how to organise and hold the first Whole School Community meeting
- how to establish Working Parties

And draw up:

- a draft Mission Statement and Aims
- Articles of Association (ground rules)
- Membership Terms

Once official agreement and support have been obtained for your social enterprise and a Founding Group has been established, you will need to plan ahead for the first Whole School Community meeting to spread the word.

The final decisions will be made by all of those who get involved in the social enterprise, but for now the Founding Group needs to take the lead. In order to explain the social enterprise properly to enable people to make an informed choice to get involved, some ground work before the meeting needs to take place. The Founding Group will prepare everything in order to present it at the first school community meeting.

2.1 Preparing for the First Whole School Community Meeting

It is important to have all the relevant information ready for the discussion.

At this first meeting the following key elements will need to be shared with participants through a series of presentations and activities:

- A. Meaning of a social enterprise and co-operative values – you can use **Appendix B** to support early discussions at the meeting

- B. Sharing the draft business name and ideas
C. Draft Mission Statement and Aims
D. Draft Articles of Association (the ground rules)
E. Draft membership criteria and terms

Notice that all the information to share is in **draft** form at this stage to enable the wider group to have a say, make decisions and propose new ideas.

The following sections of this guide help the Founding Group to prepare for the first school community meeting.

Sharing the vision

Firstly, you need to make sure that everyone at the meeting has a clear understanding of what a social enterprise is and how it is informed by co-operative values. In order to share this information, you could prepare a presentation or pass around copies of **Appendix B**.

Propose an inspiring name for your business, and possibly an image or logo. Alternatively, use the working title that the Founding Group has been using and ask the wider meeting for ideas. Make sure any potential name is in line with the intended purpose of the social enterprise.

The following questions can be used to explore alternatives while naming your social enterprise:

- What is unique about your product or service?
- Who are your members?
- What service/product will you provide?
- Who is your target customer or client?
- Where will your social enterprise be located?

You can share any issues or problems you want to solve and any particular products or services you are thinking of providing and ask for further suggestions for consideration at the meeting.

To make sure your products or services are needed, and will sell, carry out a **market survey analysis**. Throughout the world many businesses fail because they have not talked to the people and just assumed that because they like the product or service that others will be happy to pay for it.

2.2 Mission Statement and Aims

It is important to make sure that everyone

understands why there is a need for the social enterprise and what are the benefits, financial implications and sustainability of the enterprise. You will all need to have a clear reason for setting up and running the business and a simple explanation about why it is a social enterprise. It is very important to write this down, and for all your Founding Group members to use it when they are asking for support or holding meetings.

The proposed aims should be defined by the needs of the school community. To decide on your focus, you need to consider the pros and cons of the products or services you have in mind. Your school may already have projects set up that could easily be converted into a social enterprise, or there may be similar projects in your local community which people feel address a particular need.

The Mission Statement should be a short paragraph or set of points, explaining your values and aims and it should enthuse people into action.

You may find this Mission Statement ranking activity helpful:

Mission Statement - ranking activity

You could use a ranking activity to help you develop the Mission Statement. This is when you have several statements that you must put in order of importance and then explain why you have chosen the top three. If each person does this with the Co-op values, you can see whether you agree on the importance of each value, and which you want to put in your statement. You will have to negotiate, or rewrite the values to get an agreed version from your statement.

You can use **Appendix C: Ranking Statements to help promote discussion and decisions**.

Following the ranking activity and lots of discussion, the group can also try completing the following sentence:

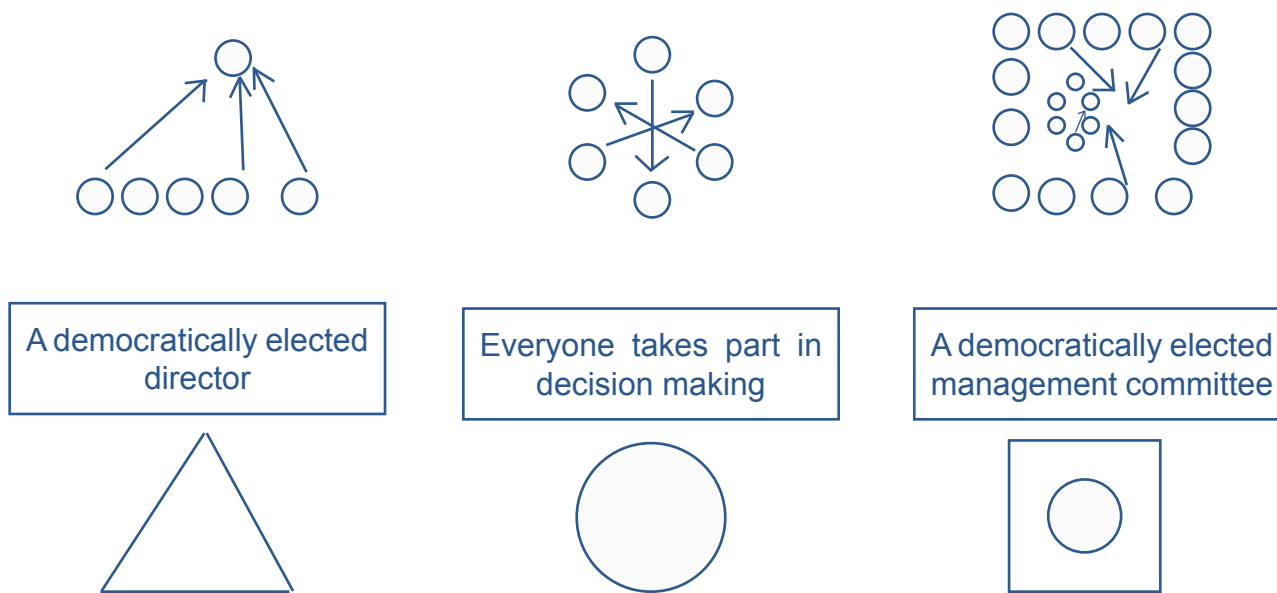
Our social enterprise will make a positive difference by.....

2.3 Articles of Association

The Articles of Association will set out the structure of your social enterprise and determine how it will be run, in other words will provide the ground rules.

The first thing to consider is the 'shape' of your social enterprise.

Will it be a triangle? Or a circle? Or..?



The shape of your social enterprise will determine how decisions are made and the kind of ground rules that are appropriate for your structure. To set your ground rules you may find this activity useful:

Setting the ground rules

1. Ask everybody to work with the person sitting next to them, in groups of two or three people.
2. In small groups, have a discussion about the kinds of rules that you think should be in place. Ask one person to write down their ideas on a post-it note - each idea on a separate post-it note.
3. Display all the post-it notes on a board or wall where everyone can see them. You can group together similar ideas.
4. Discuss how these ideas can become the ground rules for your social enterprise.

During the Whole School Community meeting, the Founding Group can propose the Articles of Association, in other words the shape and ground rules of your social enterprise. These will need to be agreed by the wider group.

2.4 Membership Criteria and Terms

This is a critical question for any organisation, particularly when setting up a social enterprise, which has a closer and more democratic relationship with its customers, suppliers, employees and the community in general. It is important that the Founding Group makes a thorough exploration of relationships with the school community to determine what those relationships are and who has power and responsibility within the organisation. Depending on the school, the social enterprise may involve students from all age groups and classes or it may just involve one group of students with a common interest.



A key thing to decide is the number of members you want to involve. The more members you have, the more your social enterprise can do and the more skills people can bring to the business. However, if it is too big it may be difficult to run. Keeping everyone informed and involved in decision making may be cumbersome if large numbers are involved.

The Founding Group needs to decide who the members are going to be, how they are going to get involved and on what basis.

Recruitment of members

When considering the recruitment of new members it is important to take into account the skills and capacity that people offer and the skills required by the social enterprise. There needs to be clear and transparent means of applying to join a working group and clarity about what the roles and responsibilities will be.

The most important thing is that prospective members agree with co-operative values

and are willing to work hard for the success of the social enterprise. It may be as simple as everyone who comes to the Whole School Community meeting is able to become a member, or the Founding Group may choose to limit membership or put in place special criteria in order for people to become members. This, however, depends upon the nature of your social enterprise, its structure and the membership level required to get the tasks done.

Once the Founding Group has decided the basis for membership you may want to provide everyone with membership cards. You could use **Appendix D**. You can insert the name of your social enterprise at the top of the cards. The Founding Group, usually the Meetings Organiser, will need to keep a record of everyone who is a member.

2.5 Establishing Working Parties

In order to take the social enterprise forward it will be necessary to establish Working Parties with a mixture of people from the Founding Group members and new members. Depending on the nature of your particular social enterprise the Founding Group needs to identify suitable Working Parties. These can include, but are not limited to, the following areas of activity: Business, Finance, Management, Marketing and Membership and any others that the Founding Group thinks are necessary. These Working Parties will operate as a team of people and will work on specific tasks, which will be reported back to the next meeting. More information on this process can be found in Section 3.

As part of the Whole School Community meeting the Founding Group will need to ask participants to sign up to be part of the various Working Parties. You can provide sign up sheets for each working party for participants to express an interest.

2.6 Holding the Whole School Community Meeting

Once the Founding Group has a clear understanding and shared vision of social enterprise, your business idea(s) and the basis upon which your social enterprise will be run, it is time to spread the word and seek expressions of interest for membership.

In order for your potential membership to make an informed choice, the Founding Group will need to present the ideas you have gathered. The purpose of this meeting is to:

- Raise awareness across the school about the need for a social enterprise
- Present the business idea(s)
- Agree the social enterprise principles
- Agree the criteria for membership
- Recruit members
- Establish Working Parties for key activities

It may be necessary to hold more than one expression of interest meeting, especially if the Founding Group needs to discuss things further before progressing. Usually the Founding Group members continue in their roles until the social enterprise is fully established and up and running. At that point there will need to be elections for those positions.

For now, the Founding Group needs to take care of practical matters. The Founding Group members need to agree an agenda (see **Appendix E** for an example) and the Secretary needs to prepare it. Once the Founding Group has agreed a date, time and place for the meeting, the Meetings Organiser needs to book a room and any equipment required. S/he also needs to make sure everyone knows when the meeting is and it is going to take place and to send out invitations and put up publicity materials. The Secretary should create a register or attendance sheet for people to fill in at the meeting, so the Founding Group knows who attended, and write up meeting notes. The Chairperson will chair the meeting. This involves controlling the meeting, deciding who is to speak, asking for votes on decisions and overseeing counting the show of hands, ensuring that the

meeting succeeds and that decision-making is followed up.

Meeting Preparation Checklist

- Develop a presentation on social enterprise, with brief and successful case studies. See <http://www.youngco-operatives.coop> for ideas
- Prepare draft Mission Statement and Aims
- Draw up the business ideas in a suitable form for sharing
- Decide upon a suitable method for gathering and recording new ideas
- Decide which member of the Founding Group will lead on key areas of the agenda and allocate specific tasks for the meeting, with agreed timings
- Prepare draft criteria for membership
- Decide upon a suitable method for voting and recording expressions of interest

2.7 Follow-up Meeting

Soon after the Whole School Community meeting the Founding Group needs to have a follow-up meeting. The Working Parties are a key outcome of the Whole School Community meeting and it is time to set those in place.

It is important that in the next stage the work is distributed effectively and equitably amongst those with the interest and ability to complete the tasks, experience and time to do things. It is especially important that this is done in a way that allows the separate tasks to be co-ordinated and mutually supportive. The Teacher Mentor can help oversee and coordinate the process.

At this follow-up meeting the Founding Group should review the notes of the Whole School Community meeting and discuss any issues arising. You also need to agree on the teams for the Working Parties and the key activities they need to achieve by the next meeting. After canvassing opinion at the Whole School Community meeting, the Founding Group is now in a position to finalise the business name. You also need to agree on dates for future meetings, such as the Working Parties Progress meeting and the First Members' meeting.

STAGE 3: A Work in Progress

This section provides you with a template for establishing the Working Parties and the jobs they have to do. The following suggestion for Working Parties should ensure that all necessary tasks are addressed:

- **Business:** Finalise the business plan and list potential business strands
- **Finance:** Develop the financial plan, set up costs and set up an account
- **Marketing:** Carry out a market survey
- **Management:** Finalise the Articles of Association and Mission Statement and decide how decisions are going to be made
- **Membership:** Create a membership list and establish a system for membership fees.

During this stage the Working Parties will be very active sorting out the details of how your social enterprise will run. Each working party will need to make progress on its specific area. However, it is important to have at least one progress meeting so that the Founding Group can ensure that any decisions being made are both practical and in line with decisions being made in the other Working Parties.

Each working party should have a clear idea of its purpose and agree a time to meet. It may be necessary to meet more than once and for individuals in the team to be allocated tasks to ensure that all of the necessary work is completed on time.

It is a good idea for each working party to include a Founding Group Member and this person can take the initiative to set up a meeting time and place and draw up a draft job description for the group. Founding Group members can have rotating responsibilities in each working party to ensure effective co-ordination and continuity.

3.1 Business

The main tasks of this working party are to finalise the business plan and explore potential strands of the social enterprise. Firstly, the team needs to agree on the key elements of your Business Plan.

The following questions can help:

1. What is the business of your social enterprise? What is the product/service?
2. How does the idea help the needs of the school community?
3. Where will it be located?
4. Who are your potential customers? How much will you charge?
5. What are the risks involved? You can carry out a risk analysis.
6. What is different or unique about what your business offers?
7. How much of your product or service is required to meet with need?
8. How much profit can the business make?
9. Does it require any start-up capital, in other words, money to get going?
10. Where will this money come from?
11. How will success be measured? What are the key milestones?

Once these questions have been explored by the team you are in a position to draw up a draft business plan. A business plan should include the following; a **summary, description of business, market, promotion and distribution centres, team, exit strategy and finance**. It should answer all the big questions facing your new venture such as: What vision of the future are you working towards? What is the purpose or mission of your new venture/ social enterprise? Who else is in your field

or is competing with you? It should start by setting out clearly:

- **Your vision:** What are your ambitions? In an ideal future, how will the world (or your community) be different because of what your business/social enterprise achieves?
- **Your mission:** What, in concrete terms, are you hoping to achieve?
- **Your goals:** How is your mission going to be turned into reality? What specific actions are you going to take and over what time frame?

For further information about the basic elements of business planning look at www.socialenterprise.org.uk and/or www.businesslink.co.uk

Potential strands of the Social Enterprise

Several ideas for potential strands for your social enterprise will have been generated both by the Founding Group and by ideas contributed at the Whole School Community Meeting. Your team should revisit all these ideas and consider the potential they hold to add strands to your social enterprise. The Uganda Co-operative Alliance recommends that small social enterprises should have three strands to increase the likelihood of success and to ensure the sustainability of a business. You can bring the most promising ideas to the progress meeting for wider consultation and discussion.

3.2 Finance

The main tasks of this working party are to develop the financial plan, investigate set up costs and how to set up a bank account, or other means to handle the money, and record-keeping. You will also need to consider the matter of shares and currency. Financial contributions, volunteer time, shares and local currencies can all help to create a sense of membership, an investment in the business and provide capital for the start-up.

The Financial plan

Many social and community enterprises are wary of the term 'profit', which can be seen as negative and undesirable. However, profit is essential to the sustainability of your social enterprise; if you don't make a profit you will cease to exist. Rather it is how you make your profit and what you do with it that is important. You can reinvest the profit in the organisation to do more of the good thing that is the reason the organisation exists, and in a co-operative you can distribute profits to members as, in reality, it's their money in the first place.

Start-up costs

The social enterprise may require some form of cash injection at the start in order to get the ball rolling and allow it to function before it makes a profit. This cash injection may be in the form of grants and gifts, loans, and school community investment. The Teacher Mentor can help the financial team to approach possible sources for this start-up money referred to as capital. You could consider asking the Head Teacher, the PTA, the school governors or a community organisation. You will be asked to show how your social enterprise is a worthy place for them to put their money and to explain what it is you are trying to achieve. You could put together a 'lift pitch', a short inspiring presentation that team members can use to approach likely donors. You will need to show that your business model is financially feasible and sustainable, that the figures add up and that you are being realistic in your projected costs and earnings.

An important part of the financial plan is a proposed budget. You can use the budget summary provided to help you with this, see **Appendix F: Budget summary**.

Setting up a bank account

This is one of the main tasks that the Teacher Mentor can help with. The finance team, along with the Teacher Mentor, can explore the options. These can include having a small account as part of the school finance or approaching a local credit union. If your social enterprise is only going to generate a small amount of money then you may not need an account and a cash box will suffice. The most important thing is to consider ways in which you will keep the money secure and be accountable.

Financial record keeping

Once the social enterprise begins buying and selling products it will need to keep accurate records, so it is important to think ahead and put a system in place. Keeping good records helps you to monitor how the social enterprise is doing and allows for accountability and transparency. This builds trust with the members. It will also help you to see which products are selling best, how many products are being sold and how much profit you are making. Good records mean good business analysis.

You can do this on the computer or by writing it all down in a book. Whichever way you choose it is important that the mechanism exists to record every time money is spent and received, so that financial matters can be kept on track. Always write the date and brief description of the transaction and enter the money received or spent in the appropriate column: money in or money out. If you encourage calculating the balance each time a transaction is recorded then you will always be able to see how much money the social enterprise has. Remember to keep receipts and copies of invoices. These should be numbered and the number written next to the corresponding entry in the account. There needs to be an agreed way of keeping receipts and invoices and how

they are organised. This is called day to day accounting. You will also need to keep a record of any repayments of loans.

At the end of every year of business a social enterprise needs to prepare end-of-year accounts. Careful record-keeping procedures set in place now will make this task easier. These end-of-year accounts are known as the profit-and-loss account and the balance sheet.

Volunteer time

There are ways for social enterprises to value and include the contribution of time, skills and experience in their balance sheets. A condition of membership could be that all members have to contribute an agreed number of hours a month to the social enterprise e.g. 10 hours a month.

Local currency

The Co-operative Education Currency Unit (CECU) is a new currency being developed in liaison between partners at HEC Global Learning Centre in the UK and the Uganda Co-operative Alliance (UCA). The CECU can help bridge the gap in financial resources and acknowledge non-monetary contributions by schools and communities. Units can be bought or paid for in voluntary time or investment. Business relies on money, and the value of people's time, skills, knowledge and experience, as well as materials, transport and locations. These could be allocated a certain financial value/worth and used to value the amount of time spent, or in recognition of skills used in assisting the business.

The CECU should look like a note but with a coop emblem with both UK and Ugandan co-op logos. The shares and CECU should be numbered, with sequenced numbers for monitoring purposes and to avoid fraud. An example of how this could look is overleaf, which you could personalise.

One CECU

This is of the value of £__ or __ UGX or one hour of work or the contribution of specific skills or advice or materials, transport, space.

Signed _____ (Treasurer) Signed _____ (Chair) Date: _____

Valid for Trading with the _____ Co-op

3.3 Marketing

The main task of the marketing working group is to carry out a marketing survey. The marketing team should also consider the business logo and marketing strategies and ideas.



The first thing to consider is what you want to find out in your marketing survey and who you want to find this information from. This depends on the services or products you are thinking of providing, and also on the people who you are targeting as your customers.

Some survey creation tips:

1. Write clear, precise and short questions.
2. Focus the questions so that each asks for just one piece of information.
3. Beware of bias! The wording of your question can point to a preference for a certain answer. Survey respondents will invariably want to please you, and will be more than happy to follow your lead, effectively squashing the value of your results.
4. Vary your question types frequently, because an unending string of similar question types will almost always lead to a string of similar answers.
5. Beware open-ended questions: Positioned correctly and used sparingly, open text questions are a great source of insight. However don't put them at the start of your survey and limit them to a maximum two or three per survey.

6. Give the respondent a chance to opt out. Make sure there is a 'don't know' option where relevant rather than forcing a respondent to answer incorrectly.
7. Always test your survey for logic and spelling.
8. Be precise and keep things as short as possible. Make sure anyone taking the survey can feasibly complete it within 10 minutes. If it takes longer than 10 minutes, you run the risk of respondents losing patience and giving any answer to simply finish the survey.
9. Get your survey right: test your survey on a group of 10 people, use their feedback to re-edit the questions, if they did not work.

There are a range of online tools that can help you to carry out a marketing survey or you could go for a questionnaire and simply ask potential customers for their views.

To find out more visit <http://www.youngco-operatives.coop> or see 10 steps to successful online market research posted by Mark Simon at <http://www.businesszone.co.uk/topic/marketing-pr/10-steps-successful-online-market-research/39644>

Once you gather the raw data from your marketing survey it is the job of the marketing team to analyse the findings. It may be useful to write the findings as a series of learning points which can be presented at the progress meeting for wider discussion. It is most important that the findings are presented in a way that can be shared and easily understood by others.

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3.4 Management

The main tasks of the management working party are to finalise the Articles of Association and Mission Statement and decide how decisions are going to be made in the social enterprise.

Remember the aims and objectives of your social enterprise should be defined by the needs of the school community. From the Whole School Community meeting there will be lots of ideas and information, particularly from the Mission Statement ranking activity and the completed sentences exercise. All this information will help the management working party to reflect and synthesise the needs of the Whole School Community.

Articles of Association

During the 'Setting the ground rules' activity, lots of ideas for ground rules are always generated on post-it notes. At the Whole School Community meeting these post-it notes can be grouped together, providing similar ideas. These ideas now need to be written in a clear and positive way and this is the job of the management working party. The draft ground rules are presented and discussed at the working

party progress meeting and the finalised Articles of Association are presented at the First Members' meeting.

Once agreed, make a neat copy of the ground rules on a poster so it can be displayed during all the meetings of your social enterprise. You may decide that all members should be given a copy of the ground rules or asked to sign up to them. The ground rules belong to everyone and everyone needs to honour them. Review the rules every so often and make sure they are working well. If not, you can change a rule, add a new rule or get rid of a rule altogether.

Mission Statement

You will have plenty of ideas for the Mission Statement following the ranking activity about the values and aims of your social enterprise which took place during the Whole School Community meeting. The job of the Management working party is to prioritise the best ideas and to use them to complete the following framework.

A framework for the Draft Mission Statement might be:

<p>Mission Statement</p> <p>The _____ Co-op believes in these values</p> <p>1. _____</p> <p>2. _____</p> <p>3. _____</p> <p>Which it will promote through its work and its aim(s) of</p> <p>1. _____</p> <p>2. _____</p>

The draft Mission Statement should be presented and discussed at the working party progress meeting and the finalised Mission Statement will be presented at the First Members' meeting.

Decision making structures

Regular meetings take place in social enterprises and in each of these meetings there are decisions to make. Therefore, a structure and some procedures for making decisions need to be put in place before any major decisions are made by the social enterprise. One key decision at this stage is whether the leadership positions (such as Chairperson) will be able to make decisions between meetings and how and when this would be appropriate. There needs to be a procedure in place for interim decision-making, for example any decisions involving money would need the agreement of the Treasurer.

Several practical things need to be considered by the Management working party:

- Procedures for voting - will it be by a show of hands, a secret ballot or ballot papers?
- Who is to carry out the task of organising and counting a vote?
- How will decisions be recorded?
- How will members be informed of decisions and kept up-to-date?
- What will be the mechanism for accepting nominations for the leadership roles of the social enterprise?

- How will you check nominated members are fully paid up members?

Proposals should be shared and discussed at the working party progress meeting and agreed in advance of the First Members' meeting.

3.5 Membership

The main tasks of the Membership Working Party are to create a membership list and to establish a system for membership fees. This working party is also in a very good position to carry out a skills audit of potential members in order to see where the strengths and weaknesses of your social enterprise members lie.

The Membership Working Party will need to decide whether, and how much, members pay to join the social enterprise. Membership fees may be a very good source of start-up money as even a small amount from lots of people can add up.

You will also need to consider whether members will receive a membership certificate. A template for a possible membership certificate is found below, which you could personalise with the name and logo of your social enterprise.

Membership Share for _____ Co-operative/Social Enterprise

Name:

date joined:

Contact details:

I invest £ __ or __ hrs volunteer time to become a member of the _____ Co-operative/Social Enterprise.

I agree and support the use of co-operation; people working together in a democratic way to use business to help our community. I pledge to take an active part in the co-op as a voting member and can contribute:

Skills:

Time:

Signed:

(Member)

Signed:

(Chairperson)

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If your social enterprise decides to issue membership certificates, you will need two copies - one for the member to take with them and one for your Treasurer, once they are elected at the First Members' meeting.

The Membership Working Party also needs to decide how and when members will receive updates of decisions and how members can influence decisions, for example by voting at membership meetings. It is also important to decide how often full member meetings will take place and to notify prospective members of this.

The Membership Working Party can prepare this information to share at the working party progress meeting and then, more widely at the First Members' meeting.

3.6 The Working Party Progress Meeting

This is an opportunity for the Working Parties to report back to the larger group, including the Founding Group about the exploration and proposals that they have worked on. This larger group needs to make sure that all the elements fit together in a logical way and that there are no inconsistencies or direct contradictions.

Each working party should have the chance to present their work and plenty of discussion needs to take place in order to align and agree everything that is going to be taken forward to the First Members' meeting. It will be like putting together all the pieces of the jigsaw and the work of the meeting is to make sure that the jigsaw pieces fit well.

Each working party will bring something different to the meeting which should include, but is not limited to, the following:

Business: the proposed business plan and proposed potential business strands

Finance: the proposed financial plan, a budget outline and proposals for setting up an account with any financial institution (a credit union is recommended), or other means for keeping the money secure, and proposals to use Co-operative Education Currency Unit (CECU), if recommended

Marketing: the findings of the marketing survey and the learning points to share

Management: the proposed Articles of Association and a proposed Mission Statement

Membership: a membership list and a proposed system for membership fees, membership certificates and informing members of developments

Once the group has agreed on the way forward it will be time to organise the First Members' meeting where everything, including the offices of Chairperson, Secretary, Meetings Organiser and Treasurer, will be voted upon. The Founding Group and the Working Parties will then have completed all their tasks and it will be time to move the social enterprise up a gear and to start putting plans into action.

STAGE 4: Up and Running

This section will provide you with all the necessary information to:

- organise and run the First Members' meeting
- hold the first Management Committee meeting
- formulate a funding strategy
- start working as a team to get the social enterprise trading
- consider sustainability

4.1 Organising the First Members' Meeting

In order to get your social enterprise up and running, preparations now need to be made for the First Members' meeting. At this meeting key decisions will be voted upon and made about all the key processes, such as the business plan, finance arrangements, the marketing strategy and membership scheme. In addition, the Management Committee members, such as the Chairperson, Secretary, Meetings Organiser, will be elected by the members. The elections may involve the same people who have held these roles in the Founding Group, but now it will be with the full consent of your members.

In order for the correct decision to be made at the meeting, members need to be properly informed. For each decision to be made it is a good idea to give a presentation first, to make sure the members know what the different options are and can make good decisions. You will need to make your presentations as confident, clear and engaging as possible.

At the Members' meeting stick to a well-organised agenda, with your presentations preceding each item to be voted upon. Each key point can lead to a short question and answer session from the floor, followed by a vote by a show of hands.

Good meetings make good decisions. A good decision is one that everyone is involved in, people agree with, is clear and have actions attached to them.

For your First Members' meeting to run smoothly bear in mind the following points and key tasks:

- Agree an agenda and decide who is going to record the decisions at the meeting, known as the minutes
- Circulate or display publicly the agenda before the meeting takes place
- Ask everyone to turn up on time and allow enough time for the meeting, so that everybody who wants to can have their say
- Take as much information as possible with you - it's better to have too much and not need it than to be frantically looking around for a vital piece of information during the meeting
- Ask everybody to keep their mobile phones switched off or on silent
- Try to stick to the subject - this is the role of the Chairperson and they should not be shy about keeping the meeting to order. Try not to get bogged down on one item - the Chairperson can decide that the Management Group needs to give this more thought and move on to the next item
- Decide in advance how nominations and the voting process are going to work
- Allocate roles and tasks during the meeting to different Founding Group members, so that the work is shared

4.2 Holding the First Members' Meeting

An ideal agenda for this first meeting can include the following items:

- Election to key posts, which will form the Management Committee
- Voting on key documents: Articles of Association, Mission Statement and Vision/Aims, Business Plan
- Business ideas: sharing of market survey results
- Issuing of shares and fees collected, or alternatives as agreed

Elections of key leadership roles

There should be a mechanism for

accepting and/or receiving nominations and voting candidates for the leadership of a social enterprise. An independent person, preferably a teacher, can take on that role. Alternatively, a task force can appoint an election committee from the Founding Group members. However, if this is the case it is important that those people do not wish to run for election, as that is not allowed.

It is useful if prospective candidates are supplied with a 'job description' for the role, so that they can decide if it is the sort of job they wish to take on. You can use the following job descriptions or make your own:

Chairperson: to control meetings, decide who is to speak, ask for votes on decisions and to count the show of hands, to ensure that the meeting succeeds and that decision-making is followed up.

Secretary: to prepare an agenda for meetings, to write key documents, to make sure everyone knows when the meetings are and where, and that people know what has happened in the meetings, what decisions were made and who is responsible for carrying them out and when.

Meetings Organiser: to book the meeting spaces, to ensure all the right people are coming, to check that refreshments are provided if needed, to promote the event, to oversee that the event is working well, to make sure that everything is tidy and clean after the event.

Treasurer: to give permission to spend money (along with the Chairperson), to record any money collected or spent, to add up the total amount of money kept by the business, to ensure that any money is securely kept, to report on the finances to members, to help create a financial plan of what money is needed for the start of the business, and why, and to oversee a currency that includes the valuation of volunteer time used for the business.

Everyone who is interested in a role needs to be offered the chance to put themselves forward. You may ask for people to be nominated by another person, or arrange things so people can express an interest by themselves. All people who are nominated must know this is the case and that it has been done so with their full agreement. If there is more than one person interested in a particular role, the usual thing is to have a vote (see below). If only one person has expressed an interest, the Chairperson can just ask the meeting if everyone agrees.

Voting on the key documents

Ensure that everyone who is entitled to vote has the means to do so. They could each be given a piece of card to wave, slips of paper to put in a box, counters or by show of hands. Depending on the voting method chosen by the independent person or the election committee, there will be varying degrees of openness (show of hands) or secrecy (slips of paper). They need to decide the most appropriate method taking into account the context. Either way, one person one vote is a co-operative principle.

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Business ideas and market survey results

The business strands should be decided at the Members' meeting and the Founding Group members can present proposals to the members.

Member's feedback

As part of promoting the business to potential funding bodies, volunteers and members, it would be good to collect as many quotes or statements of support from people at the meeting. You can use the following template:

I, (name), am very excited by this social enterprise because... it will help us to improve our... and will help us as young people to learn about ... business and development. It is a great project for our school and community, allowing us all to... work together...

Allocation of follow-up tasks

The Secretary can:

- Write up the notes from the Members' meeting (the minutes) and make these available, either by circulating or displaying in a prominent public place, such as a notice board.
- Record the people who will serve in the key posts and notify significant people, such as the Head and other supporters of your social enterprise.
- Set up the office admin, to ensure all the key papers are filed and accessible.
- Finalise the agreed business strands and the products/services to be provided
- Agree new working teams
- Develop systems for keeping records
- Develop a funding strategy, with presentations for potential funding bodies
- Develop financial systems to ensure money is kept safe
- Develop a promotion strategy
- Identify any training needs the key people may have.

4.3 The First Management Committee Meeting

Once the elections have taken place the new Management Committee can meet straight away and get the social enterprise ready to launch.

This first Management Committee meeting should aim to:

- Review the minutes from Members' meeting and discuss any issues arising
- Finalise decisions made at the meeting and agree any amendments to key documents

The social enterprise documents will need to be kept safely for future reference and more than one set should be kept.

The team structure and membership of the teams will need to be reviewed because the social enterprise structure has now been agreed with the key posts established. Meetings to agree the teams will need to take place before the next Management Group meeting.

4.4 The Funding Strategy



The funding strategy should include a list of potential funding bodies and take into account different proposals for funding for them to choose from. You will need access to a start-up fund.

The funding strategy team need to consider the following:

- How much money will you need to get your business started?
- How much will your business need to keep it going until it makes enough money to sustain itself and start making a profit? i.e. how much money is needed to start the business until the business breaks even?
- How big is your market and what are your estimates of selling and profit?
- What is the return of investment of the proposed business?

Create a script to persuade others of your ideas and why someone would lend you the money and resources you will need to start. Any potential funder will want to know about your business plan, your Aims and Mission Statement, market information, Articles of Association and financial plan. If you are asking for a loan, paying it back should be part of the financial plan.

Source of start-up funding

Before starting a social enterprise, there is the need to find out possible sources of start-up funding, if funds are required, which may not be necessarily so. These may include:

Grants: these can be great as they don't need to be repaid, and they can really help in the early stages, but there are some drawbacks. They can be inflexible and can often only be used for very specific purposes.

Loans: These can usually be put to more flexible use than grants. They are also assessed on their own merits rather than against other applications as is the case with most grants. The disadvantage is the loan will have to be re-paid from future profits and a clear plan for how that will be possible will have to be developed.

4.5 The Team at Work

This is an important stage because with the start-up money, the elected team, members, structure and business plan in place, the social enterprise can now be run as a business. The most important things to decide are who does what, and when, and to ensure that the money is spent well.

The Management Committee needs to decide the roles different people will play and a time line for putting the business plan into action. Some key tasks can include:

- Buying start-up resources
- Organising storage
- Considering points of sale
- Designing logos, artwork or packaging
- Developing a promotion strategy
- Collecting 'testimonials' – recommendations of your product or service
- Organising an official launch event (remember you may have asked the Headteacher to be Guest of Honour!)

As a social enterprise, the business is accountable to its members. Always remember the values of co-ops, and ensure that your decisions and the finances of your business are always open and therefore accountable.

It is the responsibility of the Treasurer to account for all the money raised or generated by the social enterprise, and any donations from outside. Both income and expenditure should be well documented and proper books of accounts maintained. It is important to make sure that no-one spends money without permission from the Management Committee, under the supervision of the Treasurer. Any money spent must be accounted for to the Treasurer, with evidence, such as receipts. The Treasurer will keep a detailed record of spending alongside a detailed record of income. This is true for all businesses.

It is important to remember that everyone in your business needs to feel that they are a part of it, so you need to regularly update everyone on what is happening.

An important moment is when you pay back the initial loan. This is a time to celebrate. You could organise a meeting with the loan giver, and as well as giving the loan money back, present your financial report and sales figures in front of everyone. Perhaps even have a party!

Always hold an Annual General meeting (AGM) at the end of the year to enable you to report to members on finances and the activity of the year. This is also the appropriate time to consider re-elections of the Management Committee roles.

4.6 Sustaining your Social Enterprise

A number of factors are important to ensure sustainability of the social enterprise beyond the initial period. Individual members will have gained a range of skills,

not just improved business skills, enabling them to offer quality services to their fellow members and the community in general. In effect, the social enterprise will therefore be sustained by the quality of services and the satisfaction of the members in addition to their own commercial success which keeps them in business.

During the operation of the social enterprise, efforts should be made to build long-term relationships with other players in the market, including private sector organisations, other schools and agencies that will provide services to the social enterprise. With links to other networks such as schools in the UK, as well as the schools in the Global South, and the possibility of adopting and integrating it into the education system if successful, there are increased opportunities for the sustainability of the social enterprise model. This does not only improve the performance of the social enterprise as a co-operative, but also increases chances of continuity in the long run.

General enabling factors for the success of the Social Enterprise

- Co-operation and support from local school administration as well as from PTAs of the schools
- Commitment and dedication of the members of the social enterprise
- Financial and technical support from partners such as HEC Global Learning Centre and Uganda Co-operative Alliance (UCA)
- Careful selection of good and committed leaders and skilled support for their further development
- Favourable climactic conditions

A Moment to Reflect

As part of your sustainability it is important to take the opportunity to reflect on how far your ideas have progressed, what has gone well, what has not gone so well, what you would do differently and how much you have learnt, both as a team and as individuals. The following group reflection exercise can be used:

Challenges	Things you did well
Improvements	Things you would do differently

For personal reflection you can try answering the following questions:

- What did I contribute to the planning of the social enterprise?
- What have been the high points and low points so far?
- The role I did best was
- The biggest challenges for me working in a group are.....
- I can change or improve.....
- What have I learnt about running a social enterprise?
- How do I feel about taking part?

As a result of your reflections, both personal and as part of the whole group, you could consider making a short video or YouTube clip to spread the word about social enterprises and to share what you have learnt.

A Moment to Reflect

Appendix A:

Additional Jobs

You can allocate people to these roles and responsibilities as and when they are needed by your social enterprise. Each role has specific tasks and targets, with clear deadlines and a small budget, if required. These roles may last for the lifetime of your social enterprise or be short term, depending on the task to be done.

Examples of possible additional roles in a social enterprise:

Team Leaders

People who can oversee the different groups of people working on specific tasks.

Buyers

The people who will be trusted with money to purchase goods at the best price for the needs of the co-op, such as raw materials.

Makers/service providers

These are your basic workers and need specific skills, and therefore may require further training.

Promoters/sellers

These people market and find customers for your products or services.

Stock taker/storage

These people check and control the product stock and the raw materials, ensuring that the makers have everything they need and the buyers are told when to get more stuff.

Transport managers

People to ensure that the products get to the sellers, transport raw materials and, if exporting goods, take them to be shipped.

Place management supervisors

They find and oversee the sites for production and storage – you need places to meet, to produce goods or deliver services and to store goods and records.

Appendix B: A Quick Guide to Social Enterprise, Co-operative Values and Fair Trade

Social enterprise principles – businesses that are changing the world for the better

A social enterprise is a type of business that trades to tackle social problems or to improve communities, people's life chances or the environment. Social enterprises make their money from selling goods and services on the open market, but the main difference is how this money, or profit, is spent. The profits are re-invested back into the business and the local community. The term 'social enterprise' came about from recognition that, across the world, there were organisations using the power of business to bring about social and environmental change and to build community development.

Social enterprise is not a legal term, rather it is an approach. The phrase is used to describe businesses that exist for a social purpose, but it is not possible to register a business legally as a social enterprise. At its core, being a social enterprise is about adopting a set of principles including:

- Having a clear social and/or environmental mission (as set out in your governing documents)
- Generating the majority of the income through trade
- Re-investing the majority of the profits to further the social mission
- Being accountable and transparent about the way the business works, especially to the school and/or community.

A social enterprise should have a clear sense of its social mission which means it will know the difference it is trying to make, who it aims to help and how it plans to do it. It will bring in most, or all, of its income through selling goods or services and it will have clear rules about what it does with its profits, reinvesting these to further the social mission.

The pioneers of social enterprise can be traced at least as far back as the 1840s, in Rochdale, England, where a workers' co-operative was set to provide high quality affordable food in response to factory conditions that were considered to be exploitative. However, it has taken many forms around the world and employs participatory methods, mainly Participatory Rural Appraisal (PRA), with a bottom-up approach that motivates social enterprise.

Ordinary businesses talk about 'the bottom line' when referring to profits. The bottom line places all the emphasis on one type of profit – money. Social enterprises talk about profit in terms of multiple bottom lines, including the effect on the environment and the community. So when the business profits, so does the community.

One of the key differences between social enterprises and other businesses is that they can be owned and run by schools, teachers and students. This is called a co-operative, an organisation which operates on the principles and practices informed by co-operative values. You can find much more information on social enterprises at www.socialenterprise.org.uk

Co-operative Values

Co-operatives all over the world share a set of values and ethics that gives them their distinct character. Having these values at the forefront of everything they do enables co-operatives to put their values into practice in the business world. Co-operative values are commonly understood to be:

- **Self-help**
Encouraging all within the organisation to help each other by working together
- **Self-responsibility**
To take responsibility for, and answer to, our actions
- **Democracy**
To give our stakeholders a say in the way we run our social enterprise
- **Equality**
Equal rights and benefits according to their contribution
- **Equity**
Being fair and unbiased
- **Solidarity**
Supporting each other and those in other co-operatives

Consistent with these values co-operatives believe in the ethics of openness, honesty, social responsibility and caring for others.

Co-operatives are controlled by their members, who all have an equal voice on the decisions being made. The members are able to elect a board of representatives to run the business and they can be elected onto the board. More information about co-operative values, especially where they apply in schools, can be found at www.co-operativeschools.coop

Fair Trade

The Fair Trade Foundation website says 'Fairtrade is about better prices, decent working conditions and fair terms of trade for farmers and workers. It's about supporting the development of thriving farming and worker communities that have more control over their futures and protecting the environment in which they live and work.'

When you buy products with this Fair Trade mark you are supporting farmers and other workers to improve their lives and their communities. You could consider including Fair Trade ingredients or trading along Fair Trade principles. This would involve offering a favourable price, stability of income and ensuring everyone you deal with is able to make a decent living wage out of their work. This allows people to plan for the future, send their children to school and see a doctor when they are ill. UK schools can consider becoming Fair Trade schools – for further information see <http://schools.fairtrade.org.uk/fairtrade-schools>

**Appendix C:
Ranking Statements**

<p>Self-help</p> <p>Helping each other, by working together to gain mutual benefits. Helping people to help themselves.</p>	<p>Self-responsibility</p> <p>To take responsibility for, and answer to, our actions</p>	<p>Democracy</p> <p>To give our stakeholders a say in the way we run our social enterprise</p>
<p>Equality</p> <p>Equal rights and benefits according to their contribution</p>	<p>Equity</p> <p>Being fair and unbiased</p>	<p>Solidarity</p> <p>Supporting each other and those in other co-operatives</p>
<p>Openness</p> <p>Conducting our business in a transparent way and making information freely available to members</p>	<p>Honesty</p> <p>Telling the truth, the whole truth and not seeking to hide difficult issues</p>	<p>Social responsibility</p> <p>To consider social and environmental repercussions of our business activity</p>
<p>Caring for others</p> <p>Putting the needs of others and the community above the single 'bottom line' of monetary profit</p>	<p>Social change</p> <p>To tackle social problems or to improve communities, people's life chances or the environment</p>	<p>A spare for your idea/s</p>

Appendix C

**Appendix D:
Membership Cards**

<p style="text-align: center;">'Social Enterprise' Membership Card</p> <p>Name:</p> <p>Contact number:</p> <p>Email:</p> <p>Signature:</p> <p>Membership number:</p>	<p style="text-align: center;">'Social Enterprise' Membership Card</p> <p>Name:</p> <p>Contact number:</p> <p>Email:</p> <p>Signature:</p> <p>Membership number:</p>
<p style="text-align: center;">'Social Enterprise' Membership Card</p> <p>Name:</p> <p>Contact number:</p> <p>Email:</p> <p>Signature:</p> <p>Membership number:</p>	<p style="text-align: center;">'Social Enterprise' Membership Card</p> <p>Name:</p> <p>Contact number:</p> <p>Email:</p> <p>Signature:</p> <p>Membership number:</p>

Appendix E: Whole School Community Meeting Agenda Template

Social Enterprise Whole School Community Meeting Agenda Insert Date

Introductions and how the meeting will be conducted

What is Social Enterprise?

Include here: the principles of social enterprise, co-operative values, agreement with these principles and values and why the Founding Group thinks a social enterprise is a good idea. You could include a brief successful case study. You could distribute copies of Appendix B: A Quick Guide to social enterprise and co-operative Values.

Our Business ideas

Include here: draft ideas, names, logos and the rationale, or thinking behind the Founding Groups ideas for a social enterprise

Draft Mission Statement and Aims

Include here: the proposed Mission Statement and Aims for the social enterprise. You could carry out the Mission Statement ranking activity with the wider group, in order to gather as many ideas as possible for the Founding Group to consider.

Draft Articles of Association

Include here: the proposed Articles of Association, or ground rules, for the social enterprise. You could carry out the activity to set the ground rules with the wider group. This will make them more robust and give the wider group ownership.

Membership information

Include here: sharing of clear and transparent means to become a member, any membership criteria, the benefits of membership, any particular skills required by the social enterprise, any limits upon numbers.

Membership and voting in

Include here: a process for voting in new members or accepting new members. Remember to write down all names and contact details.

Working Parties

Include here: details of the Working Parties that are required, the process for members to put themselves forward and any criteria for joining or skills required.

Appendix F: Budget Summary

Budget		
Start-up money needed:		
For product:		
Raw materials	_____	
Storage space	_____	
Security	_____	
Transport & communication	_____	
Other	_____	
		Total: _____
For marketing:		
Market survey	_____	
Posters/fliers	_____	
		Total: _____
For administration:		
Copies of CECU's	_____	
Membership certificates	_____	
Membership book	_____	
Financial records book	_____	
Pencils	_____	
Paper for reports etc	_____	
Security for money	_____	
		Total: _____
Total needed for start-up loan:	_____	
Income:		
Cost to make each product	_____	(A)
Price to sell each product	_____	(B)
Number of products to sell	_____	(C)
Total profit if all sold	_____	$(B-A) \times C$
Ongoing costs	_____	(D)
Profit	_____	$((B-A) \times C) - D$
Overall profit	_____	profit - loan
You will need to defend the number of products or services you predict that you can sell through evidence from your market survey.		



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Published by HEC Global Learning Centre
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