

BUILDING COMMUNITY WEALTH

A Resource For Social Enterprise Development



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Social enterprise is one key tool they have used to gather the engagement of citizens in the task of revitalizing neighbourhoods. Between 1997 and 2002, RESO helped start over 40 social enterprises that together created 500 jobs, many with and for people who were previously marginalised from participation in jobs.

Research carried out by the Bureau de l'économie sociale and the Direction des co-operatives in 2002, cited 6,254 social enterprises having over 65,000 workers who generated \$4.3 billion in revenues.⁹ A significant percentage of these enterprises have been created since 1996, stimulated by the policy changes and new resources that flowed from the socio-economic summit of leaders from government, business, community, social movements, and labour, all of whom agreed to make strengthening the social economy an important priority.

Since then, a new generation of sector-led support organisations providing finance, advocacy, and technical assistance have emerged that, together with very supportive government policies, are helping communities and citizen's groups create a diverse array of ventures, including financial services, home care and day care providers, recycling businesses, funeral services, housing and consumer co-ops, a range of production and worker co-ops (forestry, agriculture, cultural, small scale manufacturing), social tourism, and employment training businesses.

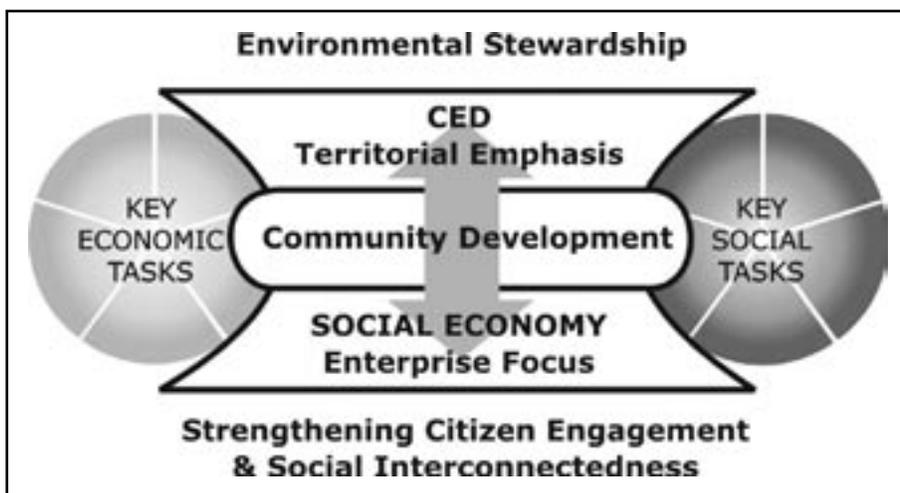
The social enterprise development focus is complementary to the CED approach where the emphasis is on the development of a specific territory. As depicted in the graphic,¹⁰ by working in collaboration, they address and interconnect the social and economic tasks that are key to the well-being of communities, as well as to the particular "communities of interest" that may be the focus of any social enterprise.

It is in Quebec where community economic development organisations and social enterprise have been most powerfully integrated. A combination of progressive government policies and long-term strategic supports have yielded substantial benefits.

Among the most dramatic examples is RESO, a community economic development corporation that was forged to address the multi-faceted economic and social challenges in what were once Montreal's five poorest neighbourhoods. The qualifier "once" is important: today the challenge is managing growth.

In a rural context, the mountain community of Revelstoke in British Columbia offers another rich body of experience. Through a multi-faceted engagement of citizens, the municipality, the Chamber of

Commerce and the Community Futures Development Corporation over a 20-year period, a town once on its knees is now a vital, thriving community. One key element in this transformation was citizen action that demanded control over the forest license in their region. They succeeded and then mobilised community capital to create a municipally owned social enterprise that is returning social, economic, and environmental benefits to the citizens of Revelstoke.



CHAPTER 3

DETERMINING YOUR ENTREPRENEURIAL PROFILE

Entrepreneurs are most often thought of as energetic individuals engaged in private business. However, while individual entrepreneurs are of critical importance to the success or failure of small and medium-sized businesses in the private sector, entrepreneurial values and qualities are by no means restricted to the private realm. For those contemplating social enterprise—whether it be a group of individuals considering a worker co-op, a non-profit seeking to diversify the means it uses to fulfil its mission, a First Nation development corporation planning a community-owned business, or several individual artisans or organic farmers (for example) considering a marketing or producers co-op—consideration of the extent and strength of your entrepreneurial values is a valuable exercise. While social goals may drive social entrepreneurship, a large number of the entrepreneurial values that have emerged from the international research on this subject cannot be ignored by those taking up the challenge of social enterprise development.

As implied earlier in this book, organisations that have historically been focused on designing programs and interventions to meet various community needs should pay particular attention to frankly assessing their entrepreneurial profile.

Typically, service organisations that depend on fundraising, grants, and contracts for services are caught in the tension of meeting diverse program criteria and reporting requirements on the one hand, and the management of resources to meet the objectives of their constituency on the other hand. Over time, this environment tends to socialise both actors and constituents into a way of operating that one can call an organisational or service culture.

For example, the relationship of First Nations with the federal government over the last 30 years has featured the transfer of resources under various categories of programming that are subject to reporting and annual audits. This framework of transfer of funds based on program plans has, in many cases, created organisational patterns that can be characterised as a program/administrative mindset that is framed, no matter how contentiously, by a pattern of vertical accountability from the First Nation to the federal funders.

The same pattern can exist in a wide variety of non-profit service organisations that depend on meeting the demands of the specific program criteria and reporting requirements of the funders. The results are often (not always) a program management mindset.

Assuming a market orientation where sales of products and services are an important part of revenue generation (or the only basis for revenue, in many cases) creates a very different dynamic that is often complicated for social entrepreneurs because their major driver is social goals. It requires a much more fluid set of attitudes and quite different patterns of interactions with clients, stakeholders, funders, and investors. In short, shifting the organisational culture, from a management and program

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