



IGNITING CHANGE: A STARTER GUIDE FOR SOCIAL ENTERPRISE

INTRODUCTION

A social enterprise is a business that works primarily to improve the lives of people. It trades in goods and services and reinvests its profits into its social mission.

Since 2018 Rethink Ireland has reviewed 752 applications and provided funding and business supports to 78 social enterprises as part of the Social Enterprise Development (SED) Fund. The SED Fund is delivered in partnership with Local Authorities Ireland and is proudly supported by IPB Insurance and the Department of Rural and Community Development via the Dormant Accounts Fund. The Fund provides social enterprises with cash grants and business supports to grow their enterprises and scale their impact.

Over the first four years of the SED Fund we have gathered feedback from successful and unsuccessful applicants. This feedback clearly states that social enterprises often struggle to find the right supports at the start-up stage.

In response to this feedback, this starter guide has been prepared for the social enterprise sector based on our learnings on the SED Fund to date.

We have developed this starter guide in collaboration with key social enterprise stakeholders to ensure it signposts aspiring social enterprises in the right direction at the start of their journey to creating social impact.

We hope it provides you with some welcome guidance and look forward to supporting you in the future.

*Sincerely Yours,
The Social Enterprise Team at Rethink Ireland*

**RETHINK
IRELAND**



Údarás Áitiúla Éireann
Local Authorities Ireland



Rialtas na hÉireann
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OUR LEARNINGS TO DATE — RIGHT SUPPORTS AT THE RIGHT TIME

The feedback we have received tells us that it is hard to get started and even harder to find the right supports at the right time. This document acts as a starter guide for social enterprises and intends to be used in conjunction with some of the excellent existing resources already available. The contents are structured around the following 5 key areas, entailing brief introductions and suggested further resources:

- 1 Vision & mission
- 2 How it works
- 3 Build a plan
- 4 Company set up
- 5 Get started

Note: In the interest of simplifying this document it refers to ‘social issues’ and ‘people’s lives’ as the core purpose of social enterprises. It is implied that social enterprises also tackle societal and environmental issues.

1 VISION & MISSION

Social enterprises are businesses that work primarily to improve people’s lives. To ensure this core objective stays at the heart of the business, it’s important that social enterprises develop a clear vision and mission at an early stage.

We know that it can be confusing what is meant by vision and mission, how they differ and what they should look like. We believe a vision should articulate an ‘end goal’ related to the social issue you are trying to solve. A mission describes ‘how’ you will affect the social issue in your day to day operations.

The below resources provide some starting points on how to define a clear vision and mission. One good way of getting started is to have a browse through the visions and missions of established social enterprises.

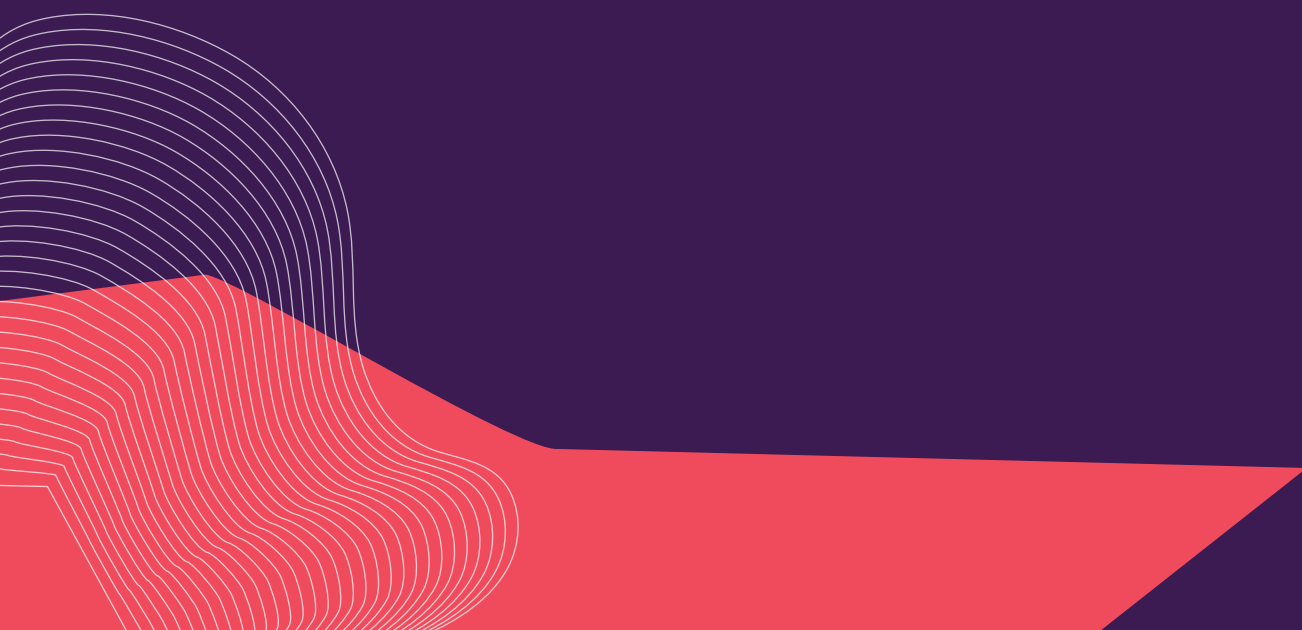
Links to resources

[Social Enterprise Toolkit includes exercises guiding you towards your refined mission](#)

[A short read on why a vision and mission statement is absolutely essential for social enterprises](#)

[A description of what a vision is, and some examples in the form of short videos](#)

[A short read on how to approach your statement](#)



2 HOW IT WORKS

Understanding the social issue you're trying to solve, articulating how your social enterprise delivers impact, and being able to clearly explain this is the next area to consider. Ask yourself the following questions;

- Are you clear on the social issue you're trying to tackle and have evidence to back this up?
- Are you clear on your Who? The customers who will buy your product or service, and the beneficiaries who will benefit from what you're trying to do?

Can you describe the above in 3 lines and 30 seconds? Test yourself. It's not as easy as it sounds!

Links to resources

Social Business Model Canvas suggestions:

[Simple and with instructions](#)

[With an example filled in](#)

Pitching:

[Not social enterprise specific but a good starting point for the basics](#)

3 BUILD A PLAN

Social enterprises have the unique challenge of operating as a business to achieve social impact. With limited resources and a background which is often not in business, it can be intimidating having to develop a business plan. The good news is there are numerous resources, with an increasing number specifically for social enterprises.

We believe your first business plan is a place to write everything down. Don't worry about getting it perfect the first time around but commit to receiving feedback and completing some core aspects including: vision and mission, market research, how your enterprise or business model works, how you'll measure your social impact, and a set of financial projections.

Having an idea is great, but putting it down and building a plan will help you sustain your business in the medium term.

The below resources are useful tools to support your business plan thinking.

Links to resources

[A free of charge 5 week course on business models for social enterprises](#)

[On aspects to include in a social enterprise business plan and what their importance is](#)

[Theory of Change template](#)

[On why to measure impact in the first place](#)

[A starting point for impact measurement](#)

4 COMPANY SET UP

Selecting the right legal form (or company structure) that best supports the direction of your business is becoming increasingly important as the social enterprise sector evolves.

The below questions challenge you to think about a number of key considerations relating to your social enterprise and how you want it to operate.

- Which legal form is best suited for your social enterprise activity (there is currently no dedicated legal form)?
- Is it advisable to obtain charitable status?
- What are the tax regulations applicable to your enterprise?
- What governance requirements do you have to fulfil (e.g. GDPR regulations, structure and decision-making of your Board)?

The below resources are a good starting point in ensuring you are aware of the requirements relating to various legal forms and the subsequent compliance obligations.

Links to resources

[On legal forms available in Ireland](#)

[Gives you an idea of all things governance](#)

[A collection of resources on governance, including podcasts](#)

5 GET STARTED

Now that you have a vision, mission, and a plan, it's time for you to get started!

Note: You may want to get your company set up first but often it doesn't stop you from testing your initial social enterprise solution.

Test, measure, and refine. It's important you trial your business idea, measure customer and beneficiary feedback and refine your model to suit!

We recommend you build your network of socially conscious entrepreneurs and attend events to learn and share.

In our experience, the most successful social enterprises are the ones who are crystal clear on areas 1 to 4 of this guide and can clearly communicate this to funders and clients. Using a critical friend/mentor to practice your pitch, discuss your plan, mission and vision is really useful.

The resources listed below will support you to build your network and refine your pitch. Make sure to reach out to your local development company, enterprise office and national social enterprise support bodies.

Links to resources

[A collection of short videos by Ashoka UK on the journey of some social entrepreneurs](#)

[A comprehensive social enterprise toolkit](#)

[An overview of the supports and programmes operated by the Local Development Companies](#)

CONCLUSION

Social enterprises are gaining momentum and increasing attention in Ireland. At the same time the sector is still at a stage of development and it can at times be hard to identify the approach that is right for you at a start-up or scaling stage. This resource, while by no means comprehensive, has hopefully given you a slight head-start, equipping you with the questions to ask and some of the potential answers to them.

Overall, we cannot recommend enough to create and extend networks, with other social enterprises across the country, within your local authority and with organisations, like our own, which are here to support you.



Above: Bounce Back Recycling
Left: Speedpak