



YOUNG SOCIAL INNOVATORS

education that changes the world

Young Social Innovators' response to the draft National Social Enterprise Policy for Ireland

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Executive Summary

Young Social Innovators (YSI) welcomes the development of the National Social Enterprise Policy for Ireland 2019-22 by the Department of Community and Rural Development and this opportunity to contribute to the policy.

We note that the Department recognises that social enterprise has not reached its full potential in Ireland and we share the view that this is for a number of key reasons: the absence of a clear policy and legal framework; the lack of understanding around what social enterprise is; and an absence of reliable support, information and data around its potential impact.

The publication of a policy on social enterprise should aim to clarify the meaning, forms, supports and potential contribution social enterprises can have to achieving public policy objectives including social and economic objectives. We note also the need for clarity within such a policy which could be helped with more language differentiation and definition around social enterprise.

YSI strongly believes that social enterprises have an important role in creating a more just, inclusive and equal society, and believes that a clearly defined Social Enterprise Sector should be identified in its own right. This should have a clearly defined and understood legal structure, such as the Community Interest Company (CIC) model in the UK. Enterprises within this sector should enjoy the full suite of supports and training on offer to other businesses.

We also recognise the important tradition and role which the community and voluntary sector has had in the development of social enterprises and that this sector should continue to be a vital component of enabling future social enterprise developments. Many such organisations engage in social enterprise activities which conform to the social enterprise model and this should be encouraged and supported through a range of appropriate supports and training on offer to social enterprises and other businesses.

In order to facilitate the growth, development and continuing impact of social enterprises in Ireland, from wherever they emerge, there needs to be a distinction between social enterprise types and stages of development and social impact. This is to accommodate the different types of social enterprises and social enterprise approaches which are frequently used within the Community and Voluntary Sector (CVS) and others such as the Housing sector.

The policy should recognise and differentiate between not for profit/charities who take social enterprise approaches to support and diversify incomes which work alongside other fundraising /income models. These initiatives can be vital for sustainability within this sector.

YSI recognises that many organisations using social enterprise approaches within the community/voluntary sector may, or may not, want to become social enterprises as they develop and scale. This should also be accommodated and movement from one into the other should be facilitated and be transparent.

Definition

YSI agrees that it is most important to have an agreed definition of social enterprise with any new policy. It is important to note that social enterprise should be recognised as a sector itself while recognising it has a strong tradition of initiation, development and growth from within the community, voluntary and social sectors.

Other international definitions from the OECD¹ and the EU² make it clear that social enterprises can, and frequently do, have clear economic as well as social objectives. Indeed, this is vital to encourage individuals and groups with entrepreneurial skills and innovative ideas to apply them to social justice and community development.

Furthermore, given the current Government's commitment to the Sustainable Development Goals, including the priority given to policy alignment in the National Implementation Plan 2018-20³, we encourage the policy to make explicit recognition of the role of the social enterprise sector to contribute to the achievement of the Goals.

To these ends, we recommend rewording the first line of the definition to:

"A social enterprise is an enterprise whose primary objective is to achieve a social or environmental impact rather than making a profit for its owners and stakeholders."

We recommend that profit be qualified here, as 'private profit' in order to recognise that surplus/profit will be earned necessarily but that this is not private profit.

Stakeholders

There are many references to stakeholders throughout the draft Policy; however, there is little clarity as to whom the stakeholders actually are. We suggest that the proposed Social Enterprise Forum should represent the full range of stakeholders. This should include social enterprises themselves, funders, representatives from the community/voluntary sector and representatives from relevant Government departments and Enterprise Ireland. Crucially, given our view that it is vital that we produce the type of individuals and groups committed to social enterprise, we also recommend that representatives from the education sector (2nd and 3rd level) are included. There is a need for a strong network/infrastructure and different supports for the development of this sector and for these approaches to be aligned with the stages of development: pre-start up; startup; fully fledged social enterprises. Local, regional and national structures, including networks, liaison opportunities and forums, can all contribute to a vibrant social enterprise sector.

A mapping process of existing work and organisations should be done which would highlight gaps and identify the potential to promote social enterprise, entrepreneurship and innovation in Ireland. Furthermore, Ireland needs to develop the kind of mindsets, such as Carol Dweck's Growth Mindsets⁴, and learning for individuals and groups to start a social enterprise and to recognise how these can at once be profitable, sustainable and contribute to social wellbeing.

To this end, opportunities must be provided, beginning in the education sector, for people to:

1. Develop the skills, attitudes and aptitudes to become enterprising, innovative and entrepreneurial;
2. Create a pipeline for social innovators and entrepreneurs to increase the impact and scale of their enterprise, recognising in particular, the initiatives and pathways for teenagers to do this.

¹ https://www.oecd.org/cfe/leed/Social%20entrepreneurship%20policy%20brief%20EN_FINAL.pdf

² http://ec.europa.eu/growth/sectors/social-economy/enterprises_en

³ <https://www.dccae.gov.ie/en-ie/environment/topics/sustainable-development/sustainable-development-goals/Pages/National-Implementation-Plan-2018--2020.aspx>

⁴ <https://www.mindsetworks.com/science/>

3. Develop the values and outlook that result in a commitment to social impact, wellbeing, community development and environmental protection.

About Young Social Innovators and its Link to Social Enterprise

Young Social Innovators (YSI) was established by Sr Stanislaus Kennedy and Rachel Collier in 2001. Initially, the idea they were exploring was to find ways to harness young people's potential to connect to their communities and use their creativity to effect change and enable them to tackle the social issues that affect them.

This idea has evolved over the last 18 years. Through objective research and by engaging with young people and educators, YSI has developed a new and distinct pedagogy for the learning and practice of social innovation, entrepreneurship and enterprise.

Since 2001, YSI has built an ecosystem around social innovation, social enterprise and entrepreneurship for teenagers in Ireland.

To date, YSI has:

- engaged over 140,000 young people in social innovation and entrepreneurial learning and practice
- trained over 1,200 educators in social innovation education
- built a network of over 500 second level schools which have engaged in social innovation learning and practice
- helped young people to develop around 400 social innovations, with the potential to grow into social enterprises, every academic year
- developed a quality training programme for educators to facilitate social innovation, entrepreneurship and enterprise
- developed quality Social Innovation Action Programmes for junior and senior cycle students at second level, engaging 14,000 teenagers each calendar year
- created a Social Innovation Fund, which has disseminated over 100,000 euros to youth-led innovators and enterprises since it began in 2005
- created an accelerator initiative, Elevate Network, and network to help young people increase their social impact and scale their social innovation and/or enterprise.

Underpinning all of this, YSI has developed a unique model for learning Social Innovation and entrepreneurship: a distinct pedagogy that can help young people to become more innovative, entrepreneurial and enterprising and training and supports for educators to facilitate this. This might be recognised as a service delivery by YSI in the policy document.

Furthermore, as well as enabling young people to become more entrepreneurial and develop innovations and enterprises, the model produces well evidenced learning in 21st Century skills such as critical and creative thinking, communications and teamwork. Research has also shown that participation in YSI's programmes builds empathy, connection to community, empowerment and self-confidence.

Working in teams, young innovators are challenged to do three things:

- firstly, identify a social issue that they really care about;

- secondly, through researching the issue, consider a social change that they would like to see; and
- finally, put in place an innovative action that can help to bring about this change.

Generally, teams develop a variety of social innovation types such as a new product, service or campaign, events, use of the arts, new relationships. They use tools from a variety of disciplines such as the Arts, Science, Technology, Engineering and Maths. Many of these actions have the potential to grow into social enterprises and some do. To support these, YSI has developed its Elevate Network, where a small number of projects are given targeted supports, in areas such as business planning, communications, marketing and finances, to help them develop their enterprise and increase its impact.

The potential for YSI projects developed in Ireland to advance from local to national initiatives has been shown by YSI (e.g. CAST Film Festival⁵). This is also evidenced through the YSI teams' success at the SAGE (Students for the Advancement of Global Entrepreneurship) World Cup. In five years, three YSI Teams, representing Ireland, have won the Gold Cup against teams from over 20 other countries. **Greener Globe – Tullamore College**⁶: Winners of the SAGE World Cup, 2015 in the Social Enterprise Business category. This team chose to focus on environmental issues and water waste in particular. They developed a shower head which changes colours to encourage responsible water consumption. The team members are currently at Trinity College. Their idea, now called Aquacica, has now been patented and received considerable funding.

Global Citizens Mapping our Future – Portmarnock Community School⁷: winners of the SAGE world cup, 2017 in the Social Enterprise Business Category. This team developed a humanitarian street mapping project. Initially focussed on the Kingdom of Lesotho, they embrace technology to help build maps in regions who otherwise would remain unmapped and, subsequently, unable to enjoy the resulting social and economic benefits.

Furthermore, in the same year, another YSI team, **Ditch Your Carbon Cup Print from CBS Charleville in Cork**,⁸ came third in the Socially Responsible Business category.

No Limits – St Joseph's, Lucan⁹: Winners of the SAGE World Cup, 2018 in the Socially Responsible Business category. This team developed a series of children's books featuring a hero or heroine with a disability. The team is currently sitting their Leaving Certificate exams and hope to grow the business further while they are at university.

YSI believes that all young people have the potential to develop important skills such as creativity, critical thinking and leadership and have the potential to develop innovative and entrepreneurial ideas and turn these into viable social enterprises.

Given the changing nature of the economy, where SMEs and social enterprises are becoming increasingly important, and the challenges facing contemporary society, in Ireland and beyond, we believe it is important that young people have the opportunity to develop these skills and to have a pipeline to grow and scale their social innovation initiatives. A solid structure and legal framework and

⁵ <https://www.youngsocialinnovators.ie/challenges/cast-film-festival/>

⁶ <https://www.youngsocialinnovators.ie/challenges/greener-globe/>

⁷ <https://www.youngsocialinnovators.ie/latest-news/dublin-ysi-team-win-sage-world-cup-2017/>

⁸ <https://www.youngsocialinnovators.ie/challenges/ditch-your-carbon-cup-print/>

⁹ <https://www.youngsocialinnovators.ie/latest-news/dublin-students-scoop-gold-at-global-innovation-and-enterprise-world-cup/>

a developed social enterprise sector will offer new opportunities to young people leaving school and wanting to set up a business with social value.

Policy Objective One: Building Awareness of Social Enterprises

YSI firmly supports the view that increased understanding and awareness of social enterprise will play an important part in stimulating a new level of social entrepreneurship by individuals and groups and that the education system has a role to play in this.

YSI's work as an education body over the past 18 years has demonstrated the interest in this type of education. There is a clear opportunity to have a greater impact by engaging with more educators and learners. There is no doubt that engagement in social innovation learning and practice can help to create a new pipeline towards social enterprise and innovation itself. The inclusion of social enterprise within the curricula has also helped drive interest at both 2nd and 3rd level.

We acknowledge the reference to the work of YSI in this space. The development of the Social Innovation Fund for teenagers in 2004 is also worthy of note as it supports increasing social impact and sustainable projects and enterprises.

The nature of business and employment is changing. Micro-enterprises, employing 10 or fewer people, now account for 92% of all businesses and 27% of all employment¹⁰. There is a clear appetite among people to start their own businesses and become employers. A survey from May, 2019 by Amarach and YSI, shows that 26% of people under 21 would like to run their own business. This requires a clear and distinct set of skills: skills that are often not prioritised in the current education curriculum. Furthermore, employers are demanding a different set of skills. These include problem solving, critical thinking and creativity. Again, these are frequently not prioritised in the formal education sector. All young people can, given the opportunity, develop the full range of skills required to reach their full potential in the 21st Century economy and society. We believe all young people have the potential to develop these skills and can become the entrepreneurs and job creators of the future.

Concurrently, the nature of society is changing. New challenges are emerging at a local, national and global level that require innovative solutions. From youth mental health and homelessness to climate change and plastic pollution, new and creative solutions are required. All young people have the potential to develop these ideas and ought to be supported to do so.

Social enterprises are an ideal way to meet the requirements of the 21st Century economy while tackling the issues that affect contemporary society and prevent people from reaching their full potential.

To this end, young people should be encouraged to, not only develop the required skills, but also be given the opportunity to 'learn by doing' and have access to the supports which adults have to develop and build their own social enterprises.

The policy should encourage young people to develop social innovations and social enterprises; the current school curriculum needs to facilitate this. While many young people engage in community actions and enterprises in Transition Year, this is not necessarily facilitated in senior cycle. While there is a concern with providing a holistic school experience at nearly all levels of education, here the focus generally shifts to career considerations and the quest for Central Applications Office (CAO) points.

¹⁰ <https://www.cso.ie/en/releasesandpublications/ep/p-bii/bii2015/sme/>

We propose that the Department should work with the Department of Education and Skills, the CAO and Higher Education Institutions (HEIs) across Ireland to find a way of formally recognising the engagement with social innovation and enterprise projects. The development of social enterprises and similar projects could contribute to students' CAO points or be a 'minimum entry requirement' for certain courses.

Furthermore, we believe the following measures could have an immediate impact on the amount and quality of social innovation in Ireland, and propose that they are included in the Policy:

- YSI programmes to be delivered in *all* secondary schools at both junior and senior cycle. This would result in giving access to solid training and education in the areas of social innovation, entrepreneurship and social enterprise.
- Offering more educator training in the area of social innovation, entrepreneurship and social enterprise, which has a multiplier effect with students engaged.
- The Social Innovation Fund (currently run by YSI) for teenage enterprises and innovations be grown and expanded to reach all relevant teen projects with a clear structure that links certain programmes and after-school initiatives to relevant supports and training.
- The Elevate Network be expanded, on a regional basis, to support teenage enterprises and innovations so advancing their progression into the social enterprise sector.

The Policy should recognise that giving young people opportunities to tackle social issues in innovative and enterprising ways develops the active social entrepreneurs of the future.

Programmes such as Young Social Innovators provide opportunities for young people; this contribution must be recognised and resourced accordingly.

The opportunity to engage in social innovation and social enterprise at an early age can, not only develop the required skills, but also the self-belief to develop the social enterprises of the future.

Policy Objective Two: Growing and Strengthening Social Enterprises

YSI broadly supports measures 7 -17 set out in the draft Policy; however, we ask that the Department considers the following suggestions:

- It is important to distinguish between 'social enterprises' as a legal entity and the action of engaging in social enterprise activity. Some organisations, whether they are for-profit businesses or within the community/voluntary sector may want to engage in activity that could be identified as social enterprise.
In the case of a for-profit business, this might be Corporate Social Responsibility activity and for community/voluntary groups it might be a short-term action, such as a pop-up shop. In either example, it is important that the organisation is not excluded from the supports on offer to entities legally defined as social enterprises.
There is a legal form required for social enterprises and more information should be supplied on the journey other entities take to become one.
- We note that there is limited detail in the draft Policy regarding the type of supports available to Social Enterprise. We believe it is vital to stipulate the supports on offer and identify which bodies will have responsibility for them.
We also suggest that all supports available to businesses be made available to social enterprises including export potential, scaling and marketing at home and beyond.

Furthermore, it is important that starting and growing a social enterprise does not depend on geographical advantage. For example, if Local Enterprise Offices (LEOs) are responsible for existing and new supports, it is important that this is standardised throughout the network of LEOs.

- Information on funding for businesses should be open and available to social enterprises. Ideally, social enterprises want funding from normal sources, not solely from those primarily designed for the Community/Voluntary sector, e.g. Enterprise Ireland.
- Public procurement and tendering is a significant barrier to the growth of social enterprises
 - Startup and established social enterprises should find it easy to identify and tender for appropriately sized contracts.
 - Training should be made available on finding opportunities, preparing submissions and forming partnerships with other organisations to tender more effectively.
 - Public procurement processes should increasingly take account of social value considerations. All too frequently, the lowest bidder is successful with little regard to the social impact or value.
 - New tendering approaches, such as Citymart¹¹ in Barcelona could be trialled to encourage more innovative and socially aware responses to social problems.

Policy Objective Three: Achieving Better Policy Alignment

YSI broadly supports measures 18 -21 set out in the draft Policy; however, we ask that the Department considers the following comments:

- We strongly support the idea that social enterprises can work closely with public bodies and charities to better understand current and emerging social issues. This should include The Departments of Justice and Equality, Employment Affairs and Social Protection, Health, as well as groups such as Pobal.
A particular priority should be working with the Department of Communications, Climate Action and the Environment as it coordinates Ireland's efforts to meet the SDGs. Social enterprises may be in the very best position to identify and respond to the emerging local and global needs in this area. A recent study carried out by Amarch and YSI (May 2019) shows that 64% young people see themselves as contributing their time towards the issue of Climate Change. This ambition needs to be harnessed now. Enabling young people to develop social enterprises is potentially an efficient way to do this while at the same time helping to achieve government commitments.
- Enterprise Ireland should facilitate social enterprise marketing at home and abroad as a stream of support in itself. For some funding, social enterprise is currently in direct competition with significantly larger companies in Ireland. This will help Ireland to position itself as a leader in social enterprise internationally.
- Research must be carried out on the impact of social innovation, entrepreneurial and enterprise education at 2nd level on the development of the prerequisite skills for social enterprise development in Ireland.

¹¹ <https://www.citymart.com/bcnopenchallenge>

Conclusion

The changing nature of the economy, along with the growing challenges we face as a nation and global society, make the growth of an innovative, dynamic, and highly skilled social enterprise sector a real priority for the Irish Government.

To enable this growth, it is vital that an effective ecosystem of supports and training is in place.

However, it is equally important that the education system produces people with the requisite set of skills, aptitudes and qualities to see starting a social enterprise as a viable career option. A strong enterprise sector needs people who are innovative, creative, critical thinkers, problem solvers and risk-takers; however, a strong social enterprise sector needs people who combine these skills with empathy and a firm commitment to fairness, inclusion and to the wellbeing and sustainability of people and the planet. YSI is unique among education providers in trying to achieve these objectives. YSI strongly supports the Government's efforts to build a strong social enterprise sector and the development of this policy by the Department of Community and Rural Development. The work YSI does provides part of a pipeline within a whole infrastructure that needs to be developed and resourced in order to grow social enterprise in Ireland. As a distinct voice with regards to social innovation learning and practice, we hope the Department takes on board the recommendations we have made in this submission.

Finally, YSI would welcome the opportunity to cooperate with the Department as this policy is developed and contribute to any future Social Enterprise Forum.

YSI is happy to answer any questions regarding this submission and to discuss all the proposals further.