

Submission on:

National Social Enterprise Policy for Ireland 2019-2022



May 2018

1. Introduction

The approach taken to this submission was to take each of the policy objectives and the sub topics therein, and outline in this document only those additional actions that we suggest should be considered to achieve those objectives.

2. Policy Objective One - Creating Awareness of Social Enterprise

- Building knowledge and understanding of social enterprise
- Role of social enterprises in raising awareness

Clarity is needed around the target market for awareness raising activities, in addition to the general public and social enterprise stakeholders. Given the information gap about social enterprise, other actors and stakeholders in broader funding, policy making, enterprise support and policy implementing circles should be specifically included in awareness raising activities.

Care needs to be taken to avoid a narrow interpretation of the definition of social enterprise which might inadvertently preclude organisations with a social enterprise ethos, culture and overall business model from future support and policy help.

A social enterprise might over a period of time have evolved a hybrid or multifunctional business model in response to entrepreneurial opportunities, which might not neatly align with the proposed supporting frameworks (National Social Enterprise Policy, Strategy to Support the Community and Voluntary Sectors in Ireland; National Volunteering Strategy) which will likely be reflected in separate, and mutually exclusive, funding streams. Therefore, for support purposes, a broad interpretation of social enterprise should be taken which focuses on the overall ethos and overarching business model of an organisation and not a subset of its activities.

The differing challenges of a social enterprise operating in a rural as opposed to an urban context should be explicitly recognised and addressed in the support systems developed.

In the context of explaining social enterprises and assessing their impact, societal benefits should be clearly linked with the UN Sustainable Development Goals.

Initiating Social Enterprises

Targeted programmes to support the initiation of social enterprises must be delivered as close to the organisation as possible (e.g. using technology) and be locally sensitive. This is a particular issue in rural areas where geographic distance to supports can be a barrier to enterprise development.

To promote the development of the sector it is important that mainstream academic business curricula is changed (where appropriate) to include social enterprise and non-profit management. Younger people need to be attracted to the potential of the sector either as entrepreneurs, voluntary directors or employees.

3. Policy Objective Two - Growing and Strengthening Social Enterprise

- Business supports for social enterprise
- Leadership and governance

A Leadership Programme, territorially targeted, implemented by social enterprise practitioners and supported by specialist mentors and knowledge exchange events, would amplify the impact of the measures being proposed for growing and strengthening Social Enterprise. Lessons on the design and implementation of such a programme can be learned from the experience of Transformational Community Leadership Programmes.

Succession planning in older social enterprises and the recruitment of voluntary directors in many social enterprises is a challenge due to increasing regulatory complexity and the reluctance of volunteers to taken on this responsibility. Voluntary directors need training and support to ensure they are equipped to carry out their roles and responsibilities but efforts should be made on the part of regulators to reduce the burden on voluntary directors.

Access to finance and funding

Human capacity in the social enterprise sector needs to be built to ensure that social enterprises are 'investment-ready' and also have longer-term strategic plans to help improve access to finance and to develop business opportunities. This capacity includes the capability of social enterprises to access, assemble and manage finance packages from a variety of sources including grants, philanthropy, corporate sponsorship, commercial and social loans, oftentimes within a single project or activity.

4. Policy Objective Three – Achieving Better Policy Alignment

- Interaction with national and international policies
- Data and impact

It is critical that government policy development and reviews in other departments are aligned with the policy for social enterprise and that there is assigned responsibility for doing this.

Credible qualitative and quantitative indicators that reflect the societal impact of social enterprises should be developed.

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<u>End</u>