



*National Executive
Service Corps*

Social Enterprise

Sobel & Co. LLC Annual Breakfast Symposium

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NESC

CASH



Unrestricted Cash Flow



Monetizing and Leveraging Existing Assets

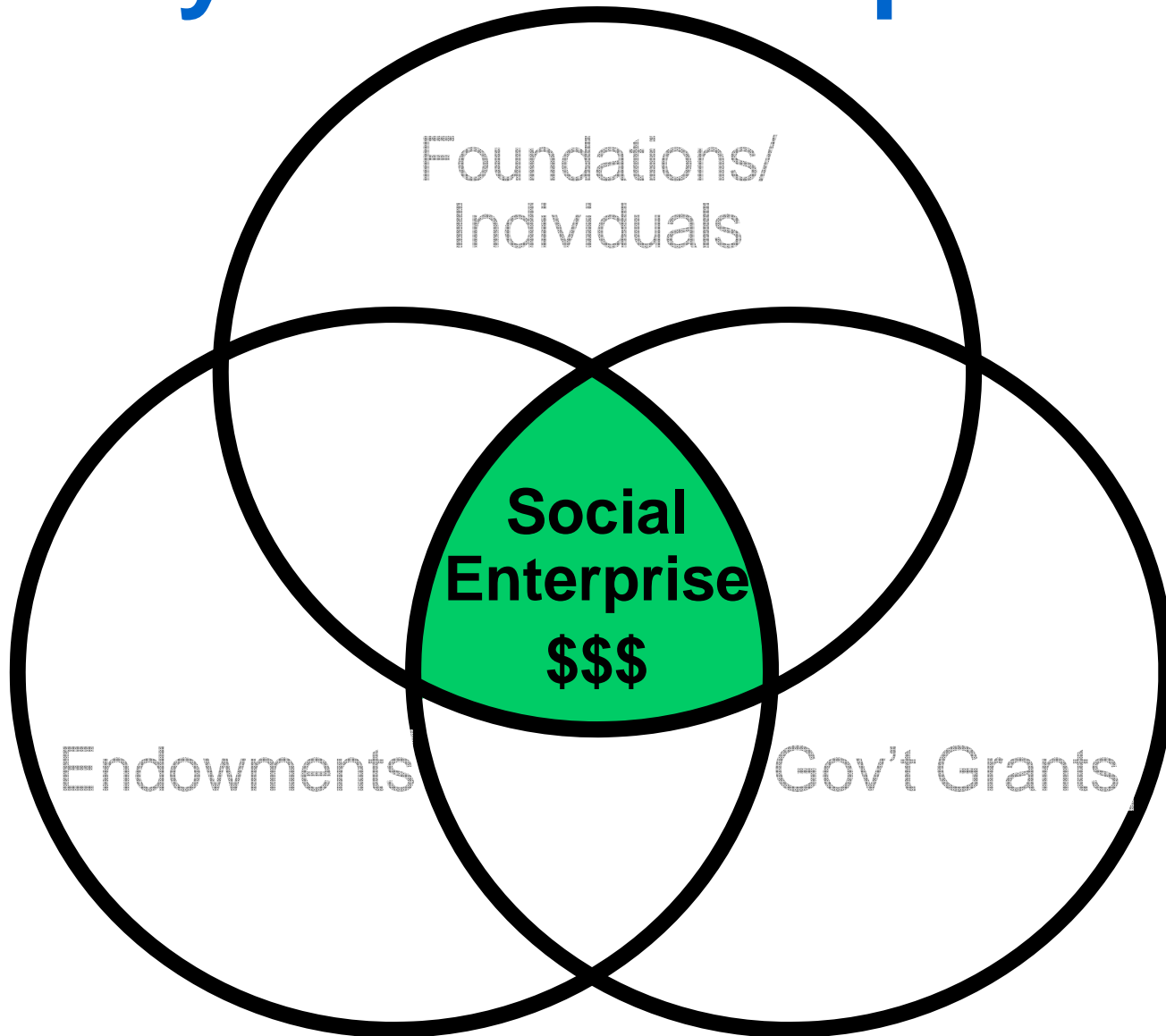


Social Enterprise

**The entrepreneurial pursuit of an
earned income business activity
– within the nonprofit’s mission –
as a means for generating
unrestricted cash flow**



Why Social Enterprise?



Social Enterprise

- Includes better use of organizational capital:
 - Human Assets
 - Physical Assets
 - Technological Assets
 - Social/Brand Assets



The Social Enterprise Process

- Identify ...existing, underleveraged, non-monetized assets
- Create ...a focused business plan
- Implement ...the business venture



The Social Enterprise Process

Identify ...existing, underleveraged, non-monetized assets

- Brainstorming
- Evaluate Opportunities
- Social Value
- Market Potential
- Competition
- Ease of Entry
- Organizational Capacity
- Resource Requirements
- Scalability
- Sustainability



The Social Enterprise Process

Create ...a focused business plan

- Strategy
- SWOT Analysis
- Goals
- Resource Requirements
- Financial Projection
- Timeline
- Stakeholder Involvement
- Action Plan



The Social Enterprise Process

Implement ...the business venture

- Leadership
- Tactics
- Organization
- Structure
- Financing



NESC Examples

- Eldercare Services
- Historical House/Museum
- Disease-Related Healthcare Agency
- Arts Club
- Social Services Agency
- Public Library





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Scalability and Structural Issues for Nonprofits

Thomas S. Lyons, Ph.D.
Field Family Chair in Entrepreneurship
Baruch College, City University of NY

Scaling of Social Ventures

“The primary purpose of scaling is to grow social impact to better match the magnitude of the need or problem a social [venture] seeks to address...”

LaFrance, et al, “Scaling Capacities: Supports for Growing Impact”(2006: p. 2)

Scaling of Social Ventures

Scaling of any venture requires an infusion of financial capital. Social enterprise is an important means to generating this capital for growing nonprofits.

Seven Capacities Necessary for Scaling

- Mission
- Structure
- Model
- Culture
- Data
- Resources
- Leadership and Governance

- LaFrance, et al (2006)

Structure

Deciding on the appropriate structure for scaling involves balancing the concern about cost with the need for control

Relative Cost & Control Levels by Scaling Structure

Scaling structure	Cost	Control
Dissemination	low	low
Affiliation	moderate	moderate
Branching	high	high
Hybrid (Franchising)	moderate	high



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Possibili Tees

Social Enterprise Case Study

Challenges & Opportunities

Ann Marie Sullivan
NESC Consultant

Challenges & Opportunities

“Social Enterprises today are learning that the universe of possible **OPPORTUNITIES** for introducing entrepreneurial activity into their organizations is limited only by their **IMAGINATION**”

Gregory Dees, et al, "Enterprising Nonprofits" (2001:front face)



Possibili Tees

- **Mission:** provide employment and vocational training to young adults with developmental disabilities
- **Formed:** in 2008 by Mission of the Immaculate Virgin (MIV)
- **Start-up Funding:** MIV
- **Impact:**
 - Employs **28** people with developmental disabilities
 - Provides Vocational Training to **32** high school students
Autism
 - Changes lives



Possibili Tees Project

Project objective

- To investigate the feasibility of the screen printing program to see if it has the potential to become a viable self-sustaining social enterprise

NESC

- Reviewed the current operations
- Determined operational capacity
- Developed new revenue forecasts and operating budgets
- Designed a structured marketing approach to target and reach new customers



Challenges

- Lack of Board Support
- Growth
- Funding
- Maximizing Sales and Operating Margins
- Organizational Capacity
- Facilities



Opportunities

- Unique value proposition
- Maximize sales/ look to make a profit
- Sale of additional products and services
- Partnerships with other organizations
- Growth
- Increase public awareness
- Increase employment opportunities



Conclusion

- Challenges can be overcome by continually monitoring and adjusting and by seeking out new opportunities
- Possibili Tees has the potential to be a viable, self-sustaining social enterprise which would enable it to **fulfill its mission** and achieve greater social impact

