

Using data to drive social entrepreneurship

What a social enterprise needs – and when it needs it

Oswin Baker, director

rockpool
research associates

rockpool research associates

*Turning information into action
to help clients change people's lives*

rockpool
research associates

Who we are

- rockpool is a network of associates with decades of research, marketing, analytics and communications expertise
- We work in the healthcare, local government and charity and social enterprise sectors, covering issues from public health and community engagement to organisational development and strategic positioning
- We have worked in the public, private and not-for-profit sectors and so understand the pressure to do more with less when seeking to improve service delivery

The social entrepreneur



rockpool
research associates

Social entrepreneurs are odd

- They are often 'one man bands' – passionate, visionary and focused on one issue

"A lot of social entrepreneurs are mission-driven, they're passionate individuals, and it's very hard to let other people come in and support you to radically rethink your business model, your offer, your growth strategy, your board"

- They also have to be *more* than a 'normal' entrepreneur, as they need to juggle the conflicts between 'social' and 'enterprise'
- And they try to do everything, often without the required professional training – including looking for, interpreting and generating data

"All the good things you have to do in business to succeed, you have to do that *first* before you can really deliver a social mission . . . The *additional* demand for social impact does place more demands on the business"

“Social enterprise calls for a specific type of capability to manage a profitable enterprise in a not-for-profit organisation”

Data is a problem



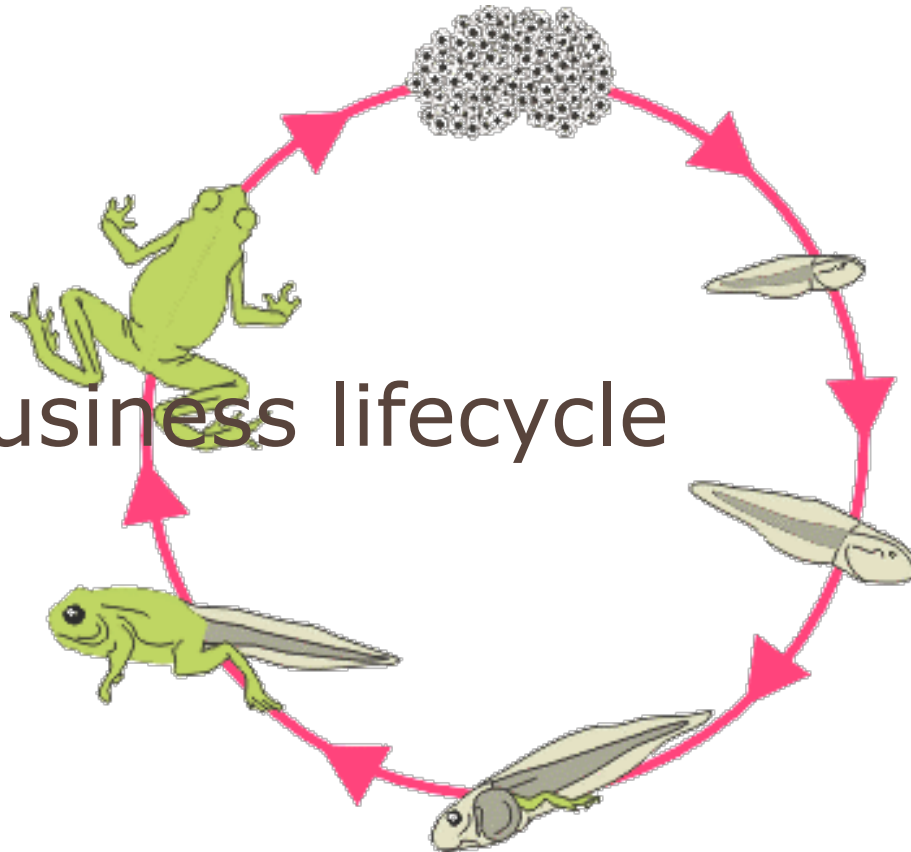
Data defines success

- In 2012, the Cabinet Office estimated that there were over 280,000 SME social enterprises in the UK – with an average turnover of around £670,000
- About a quarter sought external finance – but a third of these did not secure funds
- This compares to a fifth of SMEs in general
- **Why do social enterprises fail to secure finance?**

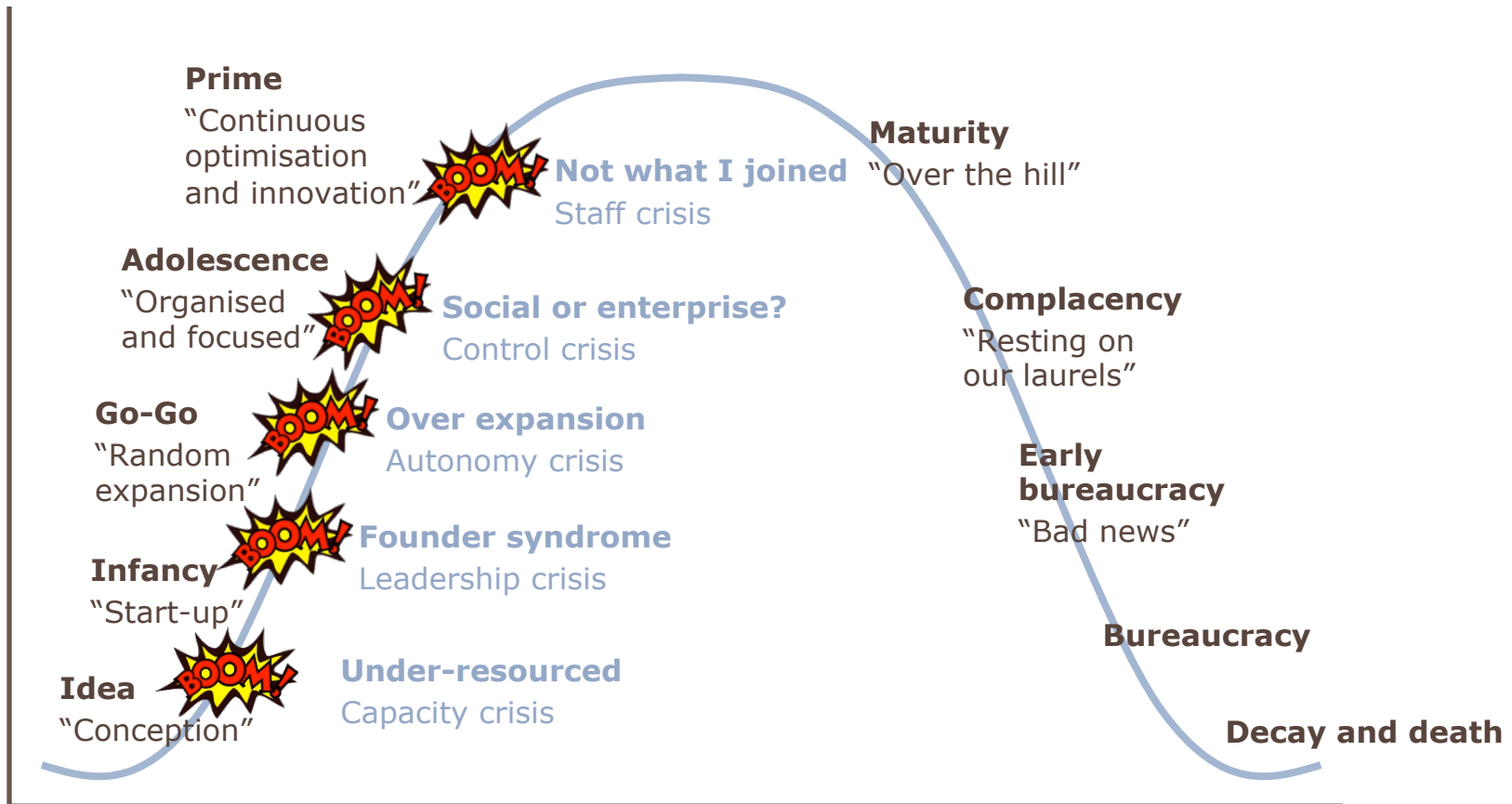
They don't business plan

- One of the main reasons for failing to secure finance is that social enterprises do not make an effective business case
- There are many elements to that business case – proof of concept, market intelligence, social impact, sustainability and income generation
- **But data is a core component to effective and successful business planning – the key is to find out *where* and *when* it is needed, and *what* it should look like**

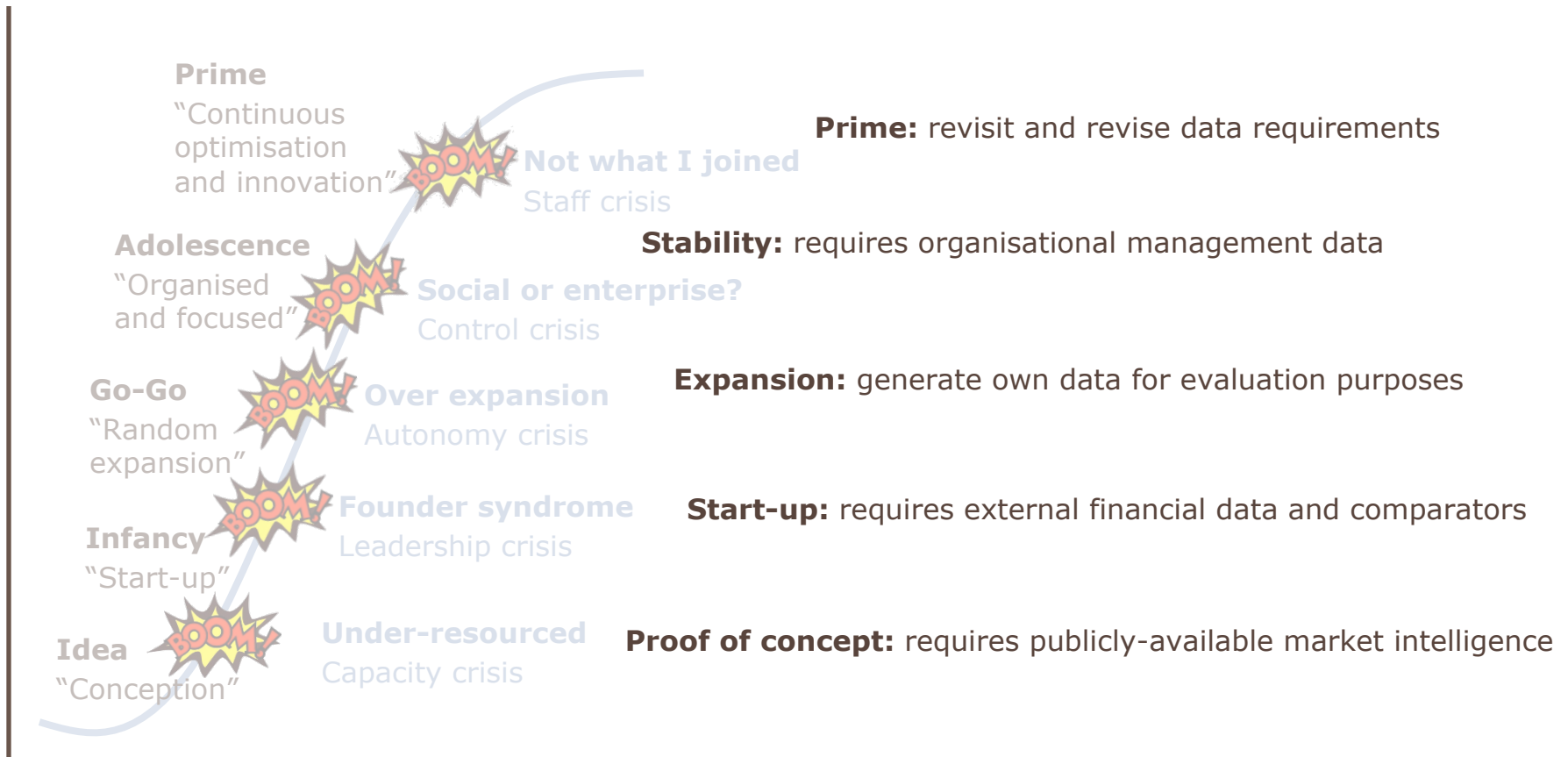
The business lifecycle



The SE lifecycle



How data can help



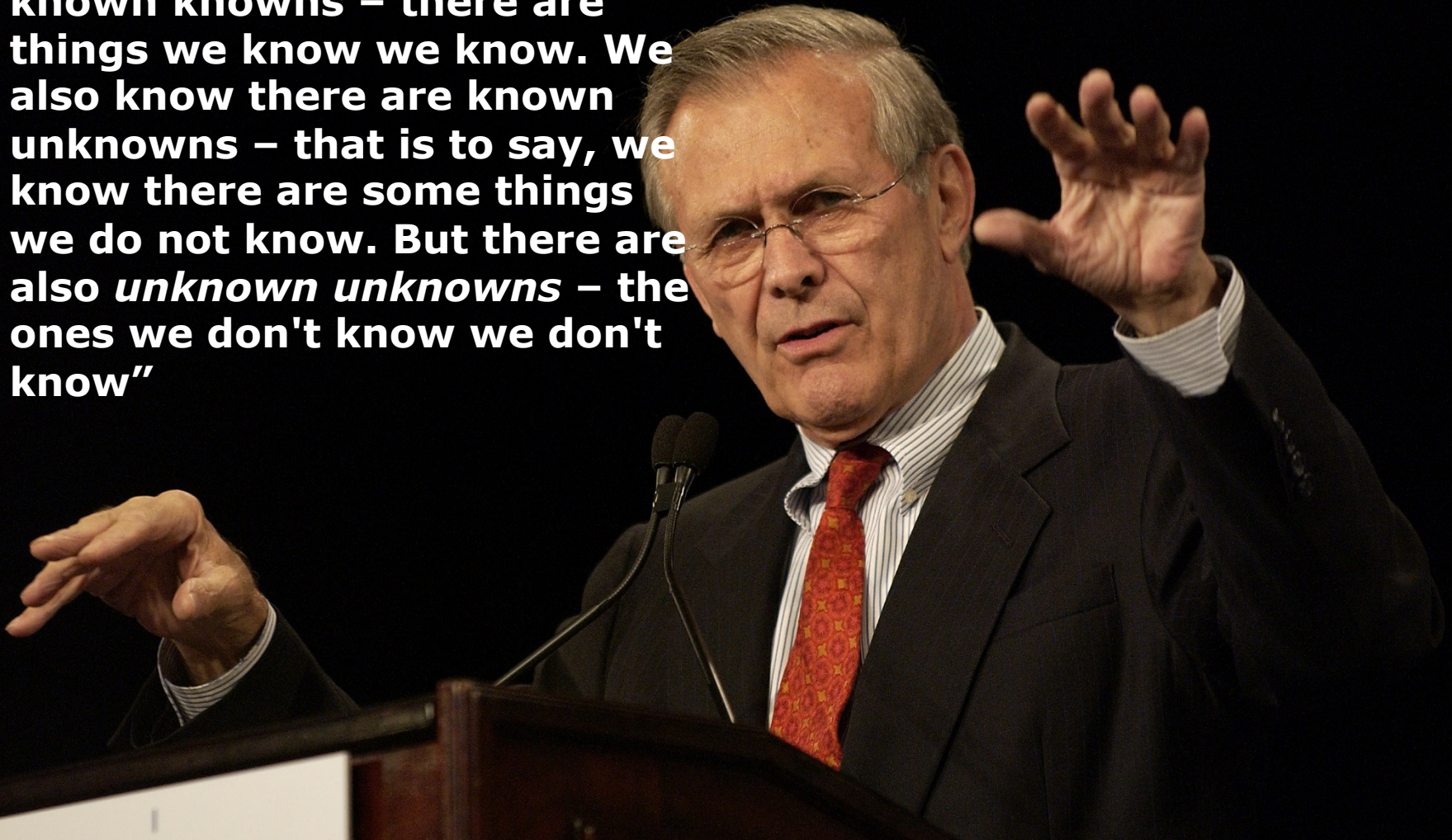
What's needed?

- **Stakeholder mapping**
 - Who can provide this and how?
- **Proof of concept**
 - Impact measures are required
- **Proxies**
 - Where clear impact measures are unavailable
- **Research capacity**
 - To generate own data

The way ahead

The wisdom of Mr Rumsfeld

"As we know, there are known knowns – there are things we know we know. We also know there are known unknowns – that is to say, we know there are some things we do not know. But there are also *unknown unknowns* – the ones we don't know we don't know"

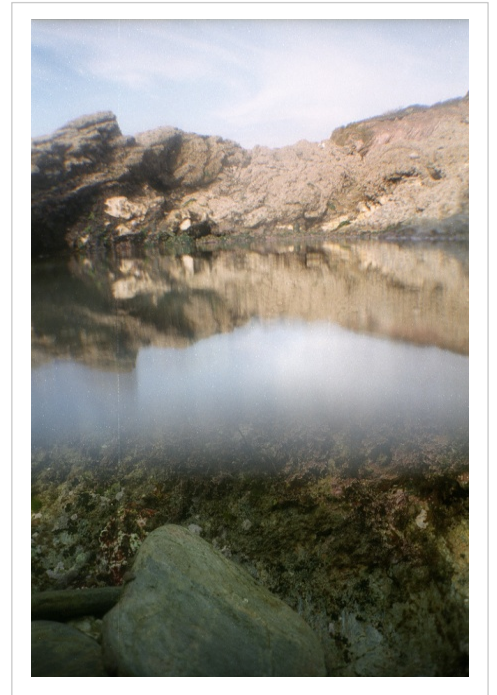


Planning for the unknown

- Social entrepreneurs know what they want to change – and how they want to change it
- But most of them do not know:
 - how to measure the size of the problem
 - How to measure the impact of their own actions
- **It doesn't have to be complex, idealised or unwieldy**
- **It should be easy to generate, replicate and manipulate**
- **And it can be built into the lifecycle of a social enterprise from its very beginning**

Thank you

oswin@rockpool.org.uk



rockpool
research associates