Social Enterprise,  
Levels 7 and 8

Teacher resources

The following resources have been provided in this document.

Session 1

Social enterprises information sheet

Key terms mix and match

Key terms mix and match – Answers

Session 2

Explore the *Big Issue* website

Session 3

Case study of a social entrepreneur

Session 4

SMART goals

Session 5

Plan the pitch

Celebrate your achievements

Presentation assessment sheet

Session 6

Activity assessment criteria

Session 1 resource

Social enterprises information sheet

What is a social enterprise?

Social enterprises are businesses that:

* operate with a purpose to deliberately address social problems, improve communities, provide access to employment and training, and/or address environmental issues. These are social goals.
* have goals and objectives that aim to benefit the community
* direct most of the profits made to achieving social goals, instead of to the owners or shareholders.

Characteristics of a social enterprise

Social enterprises often have the following three features:

* **A social purpose**: Clear social goals. They want to ‘make a difference’. Any profit that the business makes is reinvested into achieving this objective; for example, providing cheap family day care or jobs for the long-term unemployed.
* **Business activity**: A social enterprise aims to earn a large portion (normally more than 50%) of its income from the sale of products (goods and/or services).
* **Social ownership**: Social enterprises are often owned and operated by community groups such as charities.

Examples of social enterprise

Different types of social enterprise include:

* **charitable enterprises** that raise money through donations. They also sell products (goods or services) to the public just like businesses that aim to make a profit that is distributed to owners. This type of social enterprise is governed by a management board and operates in the same way as other types of business, but profits go towards achieving their social goals and are not all distributed to the owners or shareholders
* **social firms** that are set up specifically to provide training and employment for people with disabilities
* **community-interest companies** that use their profits and assets for the benefit of the community
* **housing cooperatives** that provide reasonably priced rental housing within a particular area to people in need, such as sheltered housing for the elderly or disabled
* **development trusts**, which are community-based and are set up to regenerate a local area, mainly through developing local facilities
* **community businesses**, which are set up to create jobs and provide services within the local community
* **credit unions**, which are non-profit financial institutions that provide the same types of services as a bank. They are owned and operated entirely by members.

Social enterprises in Australia, 2016

The Finding Australia’s Social Enterprise Sector (FASES) 2016 report provides statistics about the key features of the Australian social enterprise sector. The key features include:

* **Scope**: There are an estimated 20,000 social enterprises operating across all industry sectors in Australia
* **Size**: 73% are small businesses, 23% are medium-sized and 4% are large organisations
* **Maturity**: 38% have been in operation for 10 years or more and 34% have been in operation for 2–5 years
* **Legal form**: 33% are incorporated associations, 32% are companies limited by guarantee and 18% are proprietary limited (Pty Ltd) companies
* **Industry**: 68% are in the services sector, of which 24% are in retail and 23% in healthcare
* **Purpose**: 34% exist to create meaningful employment opportunities for people from a specific group, and 34% exist to develop new solutions to social, cultural, economic or environmental problems
* **Beneficiaries**: 35% aim to help people with disabilities, 33% aim to help young people and 28% to help disadvantaged women.

Session 1 resource

Key terms mix and match

Match the following terms to the correct definitions.

**Charity business, Community business, Community interest company, Development trust, Entrepreneur, Housing cooperative, Innovation, Not for profit, Social enterprises,   
Social firm, Sustainability**

|  |  |
| --- | --- |
| **Term** | **Definition** |
|  | A business that raises money through charitable donations and also sells goods or services to the public in the same way that other companies do |
|  | A business set up specifically to provide training and employment for people with disabilities |
|  | Provides reasonably priced rental housing within a particular area or to meet a specific need |
|  | A social enterprise that wants to use its profits and assets for the benefit of the community |
|  | A community-based enterprise set up to regenerate a local area, mainly through developing local facilities |
|  | A business set up to create jobs and provide services within a local community |
|  | Concerned with businesses that operate to aid or benefit society and often have the following three observable characteristics: a social objective, business activity and social ownership |
|  | An individual who starts or takes over control of a business or independent organisation, often employing initiative, innovation and risk-taking |
|  | A new idea, device or process |
|  | An organisation that uses surplus revenue to achieve its goals rather than keeping them as profit or giving them away as dividends |
|  | Allows the idea, system, way of life or business to endure over a long period of time |

Session 1 resource

Key terms mix and match – Answers

|  |  |
| --- | --- |
| **Term** | **Definition** |
| Charity business | A business that raises money through charitable donations and also sells goods or services to the public in the same way that other companies do |
| Social firm | A business set up specifically to provide training and employment for people with disabilities |
| Housing cooperative | Provides reasonably priced rental housing within a particular area or to meet a specific need |
| Community interest company | A social enterprise that wants to use its profits and assets for the benefit of the community |
| Development trust | A community-based enterprise set up to regenerate a local area, mainly through developing local facilities |
| Community business | A business set up to create jobs and provide services within a local community |
| Social enterprises | Concerned with businesses that operate to aid or benefit society and often have the following three observable characteristics: a social objective, business activity and social ownership |
| Entrepreneur | An individual who starts or takes over control of a business or independent organisation, often employing initiative, innovation and risk-taking |
| Innovation | A new idea, device or process |
| Not for profit | An organisation that uses surplus revenue to achieve its goals rather than keeping them as profit or giving them away as dividends |
| Sustainability | Allows the idea, system, way of life or business to endure over a long period of time |

Session 2

Explore the *Big Issue* website

1. Describe at least three ways *The Big Issue* helps homeless, marginalised and disadvantaged people in Australia.
2. Name five stakeholders of *The Big Issue* (individuals or groups with a vested interest in the operations of the organisation). What does each want or expect from the social enterprise? What is their interest in the enterprise?
3. Select two *Big Issue* stakeholder groups and explain one way the interests of these groups might clash (for example, the vendors and the customers, or the Melbourne City Council and the vendors).
4. Read some of the [Vendor Stories](https://www.thebigissue.org.au/vendors/) and list the possible benefits of becoming a *Big Issue* vendor for a socially disadvantaged person.
5. Reflecting on *The Big Issue* and social enterprises in general, explain how an employee of a social enterprise might benefit from being employed in each of the following ways:

* Improved self-esteem (confidence in one’s own worth or abilities)
* Improved level of wellbeing due to better material living standards (increased income and consumption of goods and services)
* Improved level of wellbeing due to improved non-material living standards (things not connected to material possessions, for example, happiness, fulfilment, a good education, low levels of crime).

1. In pairs or small groups, discuss and make notes about what you consider might be the advantages and disadvantages of working for a social enterprise rather than working for a profit-making organisation.
2. Explain how Australian society benefits from the existence of social enterprises in terms of:

* material living standards
* non-material living standards.

1. Insert the most appropriate words into the following paragraphs.

When businesses grow, they need to take on more employees. When lots of businesses grow, the numbers of people with a job in Australia will \_\_\_\_\_\_\_\_\_\_\_\_. The number of unemployed people in Australia (those without a job) should then \_\_\_\_\_\_\_\_\_\_\_\_.

Most employees earn an income, so most will pay taxes to the government. Income tax is a tax paid as a percentage of a person’s income or pay. As employment increases and more people are performing paid work, the amount of income tax collected by the government \_\_\_\_\_\_\_\_\_\_\_\_s.

When people are unemployed, they require government assistance in the form of welfare benefits such as pensions, Newstart Allowance and a Health Care Card. Therefore as unemployment falls the total amount of welfare payments \_\_\_\_\_\_\_\_\_\_\_\_.

In summary, if income tax paid to the government by workers increases and the total amount of welfare benefits being paid by the government \_\_\_\_\_\_\_\_\_\_\_\_, then the government has \_\_\_\_\_\_\_\_\_\_\_\_ money left. The government may redistribute money saved to other groups or spend it providing things such as more schools, hospitals and roads to improve Australian society, or they could decide to reduce the level of income tax for everyone.

Session 3 resource

Case study of a social entrepreneur

Name of the social enterprise and entrepreneur

Summary of what the social enterprise does and which social group/issue it supports

Summary of the entrepreneur’s ‘story’ and progress to date. What was their motivation to start?

Examples of the different ways this enterprise has responded to opportunities in its market (for example, developing a new product to satisfy demand, changing the way it delivers its products or services to consumers)

What behaviours and skills does the entrepreneur bring to their enterprise (for example. establishing a shared vision, demonstrating initiative, innovation and enterprise, communication, planning)?

What key inquiry questions do you want to research (for example, about location, quality of service, a high-quality product, sound management practices, demographics, competition, location, matching the needs of the target market)?

Did the entrepreneur have a mentor or receive advice from someone who helped guide them through the process? Did they receive capital to start up the business?

Identify the top five factors that led to the success of this enterprise, and what led you to this conclusion.

|  |  |
| --- | --- |
| **Success factor** | **Your justification of why this was important for this social enterprise** |
| 1. |  |
| 2. |  |
| 3. |  |
| 4. |  |
| 5. |  |

What challenges did the entrepreneur need to overcome and how did they do this?

Identify three mistakes that this entrepreneur advises you to avoid in your own social enterprises, or identify mistakes that you think many start-up businesses make.

Give your assessment of the long-term viability of this enterprise. Will it last? Why?

Once you have completed your presentations and reviews, break down all this information into what the class considers to be the five most important ‘golden rules’ you should all follow when considering setting up your own school-based social enterprise. Then identify five common errors you must try to avoid. Once you have discussed and agreed upon these, record them below.

|  |  |
| --- | --- |
| **Group summary** | |
| Five rules to follow to try to have success with your own social enterprise | |
| 1. |  |
| 2. |  |
| 3.. |  |
| 4. |  |
| 5. |  |
|  | |
| Five key difficulties to be aware of or try to avoid with your own social enterprise | |
| 1. |  |
| 2. |  |
| 3. |  |
| 4. |  |
| 5 |  |

Session 4 resource

SMART goals

|  |  |
| --- | --- |
| **Specific** |  |
| **Measurable** |  |
| **Achievable** |  |
| **Relevant** |  |
| **Timely** |  |

Session 5 resource

Plan the pitch

|  |  |
| --- | --- |
| **Section 1: Introduction and background** | |
| How many students are working in this enterprise? What are their names?  Briefly outline of the role each student will play in the business. |  |
| What is the social issue being addressed?  What does the business hope to achieve? |  |
| Who is the group spokesperson? |  |
| **Section 2: Objectives** | |
| List three main goals to be achieved by the enterprise. | 1.  2.  3. |
| **Section 3: Products** | |
| Why will this business be successful? |  |
| What exactly is the business selling? (Note, products include both goods and services.) |  |
| When will the enterprise start? |  |
| Where will it operate (location)? |  |
| What are the operating hours? |  |
| **Section 4: Market analysis** | |
| What evidence is there to show that consumers will want to buy the products (consumer demand)? |  |
| Describe the types of people who will purchase the product. Include age, location, interests and how much money they have. |  |
| Who are the business’s competitors? |  |
| What prices will be charged? How will this be calculated? |  |
| What brand image will be projected (for example, luxury, glamour, economical, family, eco-friendly, ‘Aussie’)?  What words do you associate with this business when you think about it? |  |
| What methods will be used to promote and sell your products? How will the business let people know about the business and what it sells? How will they try to persuade people to purchase the products? |  |
| **Section 5: Social, school and environmental impacts** | |
| Community impacts: What positive and negative effects will this enterprise and its operations have on the local community? |  |
| School impacts: What positive and negative effects will this enterprise and its operations have on the school? |  |
| Environmental impacts: What positive and negative effects will this enterprise and its operations have on the local environment? |  |
| **Section 6: Finance** | |
| Capital sources: Where will you find money to start up the enterprise? |  |
| Expenditure: What costs will be incurred in running the enterprise (for example, materials to make products)? |  |
| Profit: What will be done with any profits made by the business? |  |

Session 5 resource

Celebrate your achievements

|  |  |
| --- | --- |
| Describe what went really well in the planning of the enterprise. |  |
| Describe three features that could have been improved. | 1.  2.  3. |
| Create a list of the steps you could take to make sure you improved upon these three areas next time. |  |
| Write down anything else you or your group discussed in relation to the planning of the social enterprise |  |

Session 5 resource

Presentation assessment sheet

SD: Strongly demonstrated D: Demonstrated NW: Needs work ND: Not demonstrated

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | **SD** | **D** | **NW** | **ND** |
| **A** | **Pitch content** |  |  |  |  |
| **1** | Clearly defined background to the social enterprise and an understanding of the social issue to be addressed |  |  |  |  |
| **2** | Clear objectives of what the team is seeking to achieve |  |  |  |  |
| **3** | A detailed description of the entrepreneurial idea |  |  |  |  |
| **4** | A thorough analysis of the target market, with a plan for detailed market research |  |  |  |  |
| **5** | A clear understanding of the potential impacts of this enterprise on the wider community |  |  |  |  |
| **6** | A clear understanding of the finances required and the revenue expected to be gained |  |  |  |  |
|  |  |  |  |  |  |
| **B** | **Pitch delivery** |  |  |  |  |
|  | Evidence of teamwork throughout the project |  |  |  |  |
|  | Professional presentation |  |  |  |  |

Teacher comments:

Group comments:

Group’s suggested mark: …………….. Final agreed mark: ……………..

Individual marks for each student:

Session 6

Activity assessment criteria

|  |  |
| --- | --- |
| **Criteria** | **Excellent (5)** |
| **Content** | Accurately and clearly demonstrates thorough knowledge of the content area |
| **Presentation** | Clearly conveys content knowledge and expresses it in a stimulating and engaging manner |
| **Criteria** | **Very good (4)** |
| **Content** | Accurately and clearly demonstrates detailed knowledge of the content area |
| **Presentation** | Clearly conveys content knowledge and expresses this in an interesting and engaging manner |
| **Criteria** | **Good (3)** |
| **Content** | Demonstrates knowledge of the content area |
| **Presentation** | Conveys content knowledge and expresses it in an engaging manner |
| **Criteria** | **Satisfactory (2)** |
| **Content** | Demonstrates knowledge of the content area |
| **Presentation** | Conveys content knowledge |
| **Criteria** | **Not satisfactory (0)** |
| **Content** | Not shown |
| **Presentation** | Not shown |