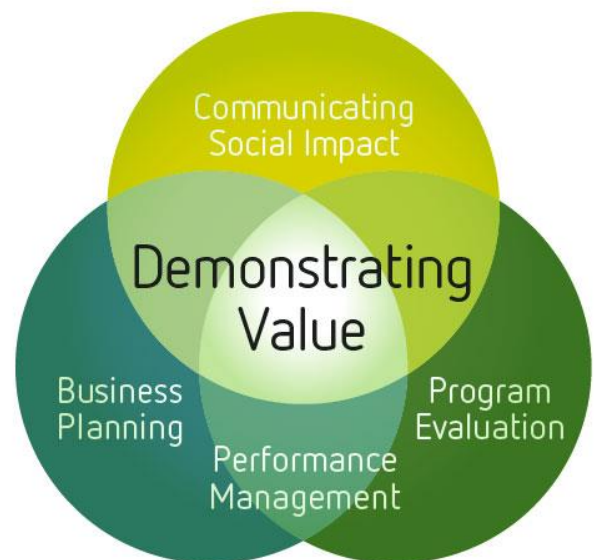


Questions Only a Parent Would Ask

QUESTIONS TO EVALUATE THE IMPACT OF
SOCIAL ENTERPRISE IN YOUR NONPROFIT ORGANIZATION

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Introduction

Non-profit organizations start up social enterprises for many reasons. Use this activity to revisit your organization's expectations for starting the enterprise and to talk about what the social enterprise brings to the organization. This can be very helpful for raising issues that may be in the background, and to proactively look at the needs of the social enterprise.

Consider doing this activity if you feel any of these situations matches yours:

- You are a social enterprise that is operated either directly as program, or is associated with a non-profit organization.
- There is uncertainty about the future of the enterprise, and talk of eliminating it, or dramatically changing it.
- There are challenges to operating the enterprise that could be helped by changes in how the parent relates and supports the enterprise.
- There are are misperceptions or lack of knowledge about the enterprise in the larger organization.
- There is interest in expanding the role of social enterprise in your organization – through further expansion of your existing enterprise(s), or the development of new ones.

About the Exercise

The objective of this exercise is to foster a frank discussion about the benefits and challenges of operating social enterprise(s) as a tool to meet your organization's objectives. Identify a cross section of people in your organization who are involved in decisions about the social enterprise. This includes both those who work in the enterprise(s) and the non-profit 'parent' organization. Review the questions on the pages that follow, and **select 10 to 15 questions that you think would be most relevant to ask about your situation**. Add your own questions, if you do not see the right ones there. You can then use the questions in different ways to assess the impact of the social enterprise on your non-profit organization.

1. Send the questions as a written survey in which the responses can be collected and compiled after a specified period of time. Hold a follow-up meeting to present and discuss the overall findings of the survey and to finalize the process by agreeing on a summary document of the assessment.
2. Ask the questions directly in a facilitated meeting. In this case, it can be productive to distribute the list of questions ahead of time so that individuals have the opportunity to put some thought into their responses.

The Questions

Culture

- ◆ How have the basic beliefs, values and practices changed in our organization since entering into a social enterprise initiative?
- ◆ How have the different levels of our organization (governance, management, supervision, systems) adapted to accommodate the social enterprise activity?
- ◆ Has selling services to markets outside the normal client group caused any conflicts regarding client / staff expectations of similar services? If so, how and what kind of conflicts?
- ◆ Has the social enterprise had a net positive affect on the attitudes and/or behaviours within our organization?
- ◆ Has the social enterprise provided our organization with new energy and drive?
- ◆ Has the social enterprise placed new strains on the existing culture of our organization, which is resulting in an an overall energy drain from the organization?

External Relations

- ◆ Has our organization received more and/or better media attention since we instituted launched the social enterprise?
- ◆ Have the attitudes and responsiveness of key stakeholder groups improved since our organization implemented a social enterprise strategy?
- ◆ Has our organization's relationships with the community, clients, businesses and other stakeholders improved since we implemented the social enterprise?
- ◆ Does this social enterprise create greater opportunities for our organization to enhance its reputation by increasing public visibility, community awareness and creating better relationship with key stakeholder groups?

Financial Development

- ◆ Has the financial performance of the social enterprise directly increased our organization's financial sustainability?
- ◆ Has the financial performance of the social enterprise increased our capacity to invest more in our mission?
- ◆ Is the long-term financial plan for the social enterprise achievable, and will financial risks to our organization decline over the next fiscal period?
- ◆ Will continued investment in the social enterprise likely increase the financial sustainability and reduce risk for our organization?

Financial Systems

- ◆ Does our staff leadership group have more than one member who understands the financial plan and requirements of the social enterprise?
- ◆ Have the organization's financial resources and systems been effectively invested and adapted to ensure that the social enterprise succeeds financially?
- ◆ Has our organization realized a benefit of increased financial management skills due to the requirement to create new budgeting, accounting and reporting systems, in addition to analyzing financial indicators for the social enterprise?
- ◆ Do our organization's financial policies support the social enterprise appropriately without posing significant risks or challenges?
- ◆ Do we have a clear picture of the resources invested in the social enterprise, and its continued operating expenses and revenues?

Human Resources

- ◆ Does our program staff group have the appropriate experience, skills and ideas in order to make a positive contribution to the social enterprise?
- ◆ Does our staff leadership group have more than one member who could manage the social enterprise?
- ◆ Can our existing board and staff members gain new skills, competencies and ways of thinking due to the social enterprise, thus resulting in enhanced human resources for the organization overall?

Infrastructure

- ◆ Are the long-term systems and infrastructure requirements for the social enterprise good investments, given other asset development needs and risks in our organization?
- ◆ Has our organization built a plan for systems and infrastructure that is sustainable over time within a number of different profit / loss scenarios?
- ◆ Have the on-going systems our organization uses been adaptable and supportive of the social enterprise or have they provided resistance to change?
- ◆ Have the systems and infrastructure of our organization been improved because of the addition of a social enterprise?
- ◆ Does the social enterprise build on underutilized systems (information, accreditation, accountability, procurement systems, etc.) and infrastructure already in place within the organization or does the organization use the social enterprise as a testing ground for new systems needed by the organization?

- ◆ Is there a risk that an unanticipated need for new systems and infrastructure would require additional investments to support the social enterprise, thereby increasing opportunity costs?

Innovation

- ◆ How can our organization re-structure itself to be more agile and adept in transferring knowledge, skills and other resources to strengthen the organization as a whole?
- ◆ How have our experiences with the social enterprise prepared or encouraged our organization to become more innovative and adaptable?
- ◆ Has our organization become more innovative and better oriented toward managing change through developing the social enterprise?
- ◆ How can focusing on innovation and enterprise help our organization manage change and reduce risks of failure in the future?
- ◆ Has the implementation and operation of a social enterprise coincided with the opportunity to apply new competencies, skills, and creative initiatives of board, management and staff across the rest of the organization?
- ◆ Do the demands of the social enterprise compete directly for the required competencies, skills, creative power and innovation with the 'regular' demands of the parent organization?

Organizational Aspirations

- ◆ Does the social enterprise fit well within our organization and extend its articulated mission?

Programs and Services

- ◆ Are the services offered through the social enterprise congruent with and linked to our other programs and services?
- ◆ Is our social enterprise contributing to the re-invigoration of our organization's programs and services?
- ◆ Is the parent organization at risk of reducing the quality of current programs or losing programs and services?
- ◆ Have the programs and services operated by our organization benefited because of the social enterprise?

Organizational Structure

- ◆ Do the structures of our organization support the transferability of skills, knowledge and accountability roles among all parts of the organization so that all can learn from the social enterprise experience?
- ◆ What further changes could our organization make to the organizational structure to be more supportive of enterprise and innovation?
- ◆ What have the different levels of our organization (governance, management, supervision, systems) learned from operating the social enterprise that can inform how we adapt the structure over time?
- ◆ Has re-structuring our organization to meet the needs of the social enterprise resulted in acquiring other risks by failing to meet the needs of the rest of the organization?
- ◆ Has not re-structuring our organization to meet the needs of the social enterprise resulted in accumulating inefficiencies within the organization?

Organizational Skills

- ◆ Has our organization benefited from increased planning and analysis skills at both governance and management levels due to the unique business planning requirements of developing a social enterprise?
- ◆ Has our organization experienced challenges in recruiting and integrating new personnel with high skill levels in operating a social enterprise?
- ◆ Has our organization brought on skilled personnel to help with the social enterprise who also introduce new values and visions?

Organizational Strategies

- ◆ Has our social enterprise focused resources and efforts away from other organizational strategies and programs?
- ◆ Does our social enterprise contribute to the strategic direction of the organization? If so, how?
- ◆ Is our social enterprise carrying out part of an overall strategy that is clearly linked to the mission, vision and overarching goals of the organization?