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Title: Social Enterprise Academy: Creating a global community of practice around learning and development support for social entrepreneurs

Authors and organizational affiliations:

- David Bryan, Head of Sustainable Business, Social Enterprise Academy
<https://www.socialenterprise.academy/scot/>

1. Background to social and solidarity economy sector, institutions and policy framework in Scotland

Although the term only became popular in the 1990s, there is a **long history of social enterprise (SE)** in Scotland. In the late 18th century, Robert Owen created housing and educational infrastructure for his Mill workers at New Lanark – this is widely recognised as the first social enterprise. The late 19th and early 20th century saw a boom in civil society organisations and charitable organisations, many of which have adopted enterprising approaches with some still operating and delivering impact.

SE development in rural Scotland can be traced to collective approaches to agriculture and fisheries, required to sustain communities in harsh environments. During the 1970s co-operatives became the preferred vehicle for community needs - many becoming social enterprises. Community based social enterprises still feature strongly, with community companies and development trusts providing diverse services in a specific geography. Enterprising community-led approaches have been prevalent since the 1990s, closely aligned to community land ownership. These have opened the door to asset based approaches, and are now commonplace in Scotland's cities.

The social enterprise landscape in Scotland occupies a continuum including the enterprising voluntary sector, asset locked social enterprises and 'for purpose' social businesses. This definition can be contentious, with some commentators advocating the social enterprise sector as concomitant with asset locked organisations. Others deem impact driven but privately owned 'social businesses' as also qualifying under this definition.

The most recent social enterprise census in Scotland identified 5,199 social enterprises (adopting the asset locked definition). This includes 112,409 employees, annual turnover of £3.69 billion and 60% of these organisations being women-led. There are disproportionately more in rural than urban Scotland, with the greatest densities in remote rural and island communities, where SE provide some of the basic needs, such as housing, food shops, petrol stations and electricity generation and supply.

The social enterprise ecosystem in Scotland is mature and complex. Despite some rationalisation in recent years, there are a significant number of partly or largely publicly funded SE support organisations providing networking, representation, investment, impact measurement and sector specific support. Since 1999 a series of interventionist governments have sought to utilise SE to address a range of complex and inter-related social and economic challenges. In 2016 the Scottish Government introduced a 10-year Social Enterprise Strategy. This includes specific reference to Internationalisation, to "*work with our national and international partners to help expand the activity of social enterprises in overseas markets*". Investment has followed, focusing particularly on Commonwealth countries, with which Scotland has particular cultural and social links.

2. Summary of main characteristics of good practice approach



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Social entrepreneurs need support to create sustainable organisations delivering high value social and environmental impact. Social Enterprise Academy ('Academy') learning and development programmes offer accredited qualifications focusing on leadership, social entrepreneurship and social impact measurement. Founded as an independent organisation in 2004, the Academy is a social enterprise itself. The founding partners identified that whilst strong training and advice was available on the technical competences (e.g. finance, marketing and business planning), traditional training or business support tended not to meet the specific needs of social entrepreneurs. The Academy's products are designed to support leaders and organisations at each stage of development, for leaders at all levels, and young people – the next generation of social enterprise leaders – in formal education and beyond. This is a unique offer missing in many support ecosystems.

Delivery is by Practitioner Facilitators, themselves all social enterprise leaders. The Academy's approach is strengths based, using action learning approaches to create a high support / high challenge environment. Transformational learning is achieved by creating space for reflection and drawing on the support of peers. Learner reaction is excellent, with consistently high learner recommendations (99%), experience ratings (97%), and expectations being met or exceeded (95%). Our theory of change is centred on achieving behaviour change in leaders creating more sustainable organisations with enhanced social impact. <https://www.socialenterprise.academy/scot/about>

A strategic delivery partner of the Scottish Government, the Academy matched funds with grants from domestic and EU sources to make learning available and affordable in remote rural communities in the Highlands and Islands. Phase 1 of the Academy's growth featured the creation a 'Hub' in the North of Scotland, providing local business development, learning co-ordination and facilitator teams. Income was created from selling and winning contracts in the public, private and third sector from organisations with the ability to pay. By 2012, with a proven Hub model in the north of Scotland and financially sustainable core business, the Academy began to be invited to export and replicate this 'Hub' model.

The decision to explore international exporting and replication was considered by the board, concluding it was a classic social entrepreneurial action: going beyond its resources to seize a market based opportunity to achieve increased social impact. In 2014-15 an Assessment of the Academy's replication readiness was undertaken, and constantly evaluated through Phase 2 of the Academy's growth. The initial move was to create a joint venture in Africa with Imani, a like-minded international development organisation. A Hub model based on a social licensing approach was refined and deployed initially in Australia and then more widely in Asia and Africa. After a pause in growth for refocusing online delivery during Covid-19, the third phase will focus on achieving financial sustainability across the network and rapidly scaling the Academy hub network.



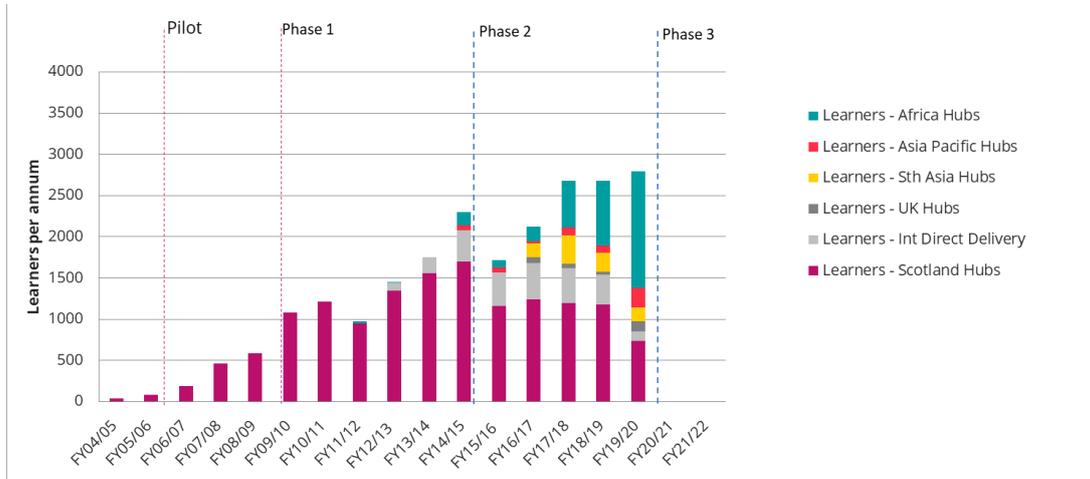
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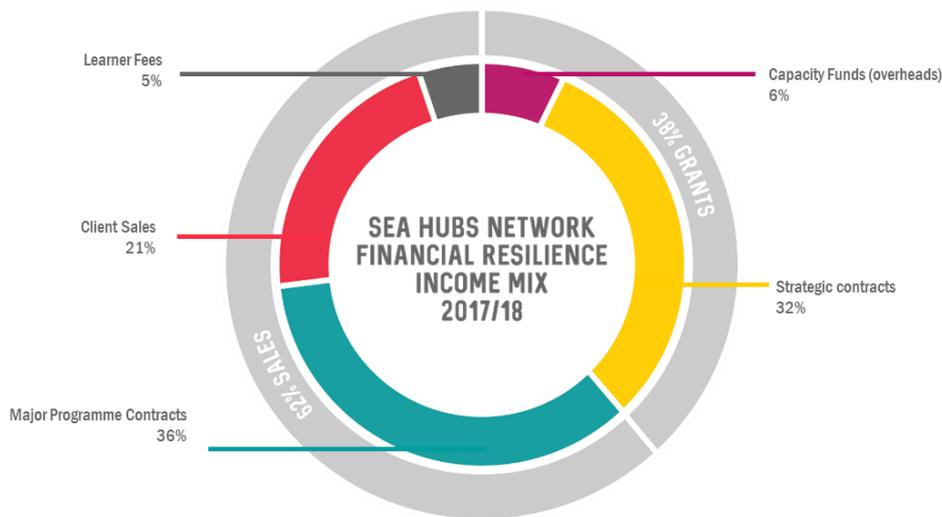
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The Academy's Global Growth in learner numbers



Our ambition is to support Hubs to operate a sustainable business model with a resilient income mix

The Sustainability of the Process was considered from the outset. An exit strategy was planned from the start. If the plan was not successful, the additional staffing capacity built-up for replication would be reduced, leaving the Academy viable to serve its original market. Planning also considered the scale of investment raised, and did not over-expose the organisation to unaffordable debt, even if it reverted to only trading in its original market. From a business perspective, the process has reduced short-term profitability of the Academy; the surplus created by the Scottish business has been required to support the international expansion. However the social impact of the Academy has been enhanced immeasurably, and as a social enterprise this is central to judging our performance.



Strategic drivers motivated the organisation based on its enterprising approach; however it was critical it did not lose focus on serving its original purpose of supporting people leading change in Scotland. Guided by its high level strategy and ethos, a 10-year strategic business plan was developed alongside the consideration of replication readiness and research into models of replication. Strategic objectives and a specific operational plan were also developed. To enable decision making at all levels with increasing numbers of staff in Scotland and new locations, strategic principles were also articulated. These ensured the model of learning delivery was shared as well as the ethos behind operating the organisation; it is the model of practitioner led learning exchange, which is the constant characteristic of all Academy learning, wherever it is in the world, and has remained our USP. Social investment was secured to become fully ‘replication ready’ and begin developing new markets, with a 10-year repayment plan.

The organisation was re-structured, identifying core specialist functions to be developed as a centre of excellence that could support replicable delivery functions in each location. This would enable local partners to operate replicable business development and coordination functions to serve and respond to each local market. This matrix structure aimed to create sustainable local businesses supported by a core team from Scotland. The Academy was not interested in growth for growth’s sake or in ‘empire building’, but in enabling local partners to achieve impact in their realities. Long term aims are to build an international network of partners, develop sustainable businesses adapted to each local cultural context, connect and develop skilled facilitators, and to innovate and share new products to serve learners around the world.

Franchising has a mixed reputation. Initially, the Academy was sceptical, being aware of other examples of franchises with mixed results, difficulties of quality control and dissatisfied franchisees. Franchising was also perceived as a purely commercial strategy for growth to increase revenue. This did not fit with the ethos of the Academy in exploring replication to share something of value with others and support leaders of social purpose. Terming the approach ‘**social licensing**’, the Academy gave itself permission to reinvent the methodology, experimenting with adaptations to franchising models, and avoiding legal implications of franchising which existed in some countries.

The **Academy’s approach to social licensing** was based on the experience of having a ‘hub’ in the north of Scotland. This featured a business development manager, learning co-ordinator and finance administrator plus a team of local facilitators, culturally empathetic with social enterprise practitioners locally. The North of Scotland Hub took the already developed Academy learning product, and crucially its methodology of ‘practitioner led learning exchange’, and rolled it out across the north of Scotland using the local knowledge and contacts of Academy staff. The product was bespoke to meet local needs – e.g. facilitating in Gaelic as well as English and providing programmes to meet the needs of rural and island communities. This approach proved successful, with 150 learning days each year and a visible impact on leaders, their organisations and communities.

The international replication model took a very similar approach – local delivery and management led by the hub, with every product, tool and aspect of support provided by what became known as



the Academy's 'Global Learning Lab'. A huge amount of work was put into 'packing the product', enabled by accessing significant social investment. The Academy product was 'packaged' – the value chain mapped out and 'user guides' produced for every element. A set of a dozen or so baseline learning products were identified, refined for a global market and documented with detailed delivery plans, activity notes and handouts. The latter required intensive work to check and secure the IP, sometimes for materials of which no-one quite knew their origin. The brand itself was reviewed, with logo and colour scheme adapted for a global audience. Similar 'how to do' guidance was produced for Communications and Marketing, Learning Co-ordination, Finance and Business Planning, and Monitoring and Evaluation. Every element of the Academy product was reviewed, improved and packaged. The Academy website was redeveloped, backed by a Learner Management System, which enabled online booking, a virtual learning platform and collection of evaluation data.

Partners were sought who shared the Academy's values on learning and development and could commercialise the product. Initial engagement often came through 'direct delivery' by the Academy in Scotland, working in partnership with the would-be hub partner. If this process of familiarisation proved successful, the first step was to sign an 'exploration agreement' in which both parties explored the feasibility, financial and otherwise, of Academy Hub in the particular territory. If this proved positive (and this was not always the case) the Hub was launched with the development of the first cohort of facilitators, led by Academy's lead facilitators from Scotland, and intensive training and development of the new Hub partner team.

The long term support for Hub teams includes networking and more active support for Hub staff and facilitators. At the outbreak of Covid-19, this involved creating a global development programme for online facilitation, as well as the redevelopment of the entirely baseline suite of programmes for online delivery. The speed and agility of the Academy's reaction to the Covid reality highlighted the benefits of being a Hub partner; for less than the cost of employing a single learning and development professional, the Hub Partner could purchase a world-class learning and development product, and benefit from the support of a global community of practice.

In summary, the internationalisation of the Academy is creating a global community of practice around **peer learning**. The flow of skills between social enterprise leaders is enhanced - both within and between organisations (this is how our learning programmes operate), and across countries (this is how our international replication model operates). The outcome is **resilient social enterprise support ecosystems**, better able to enhance the capacity of social enterprises, who in turn are enabled to 'change the world'.

3. Evidence/Justification for Good Practice

Soft evidence: A diverse community of practice of learning and development professionals, sharing and co-elaborating methodologies, programmes and approaches. This was most evident in the early stages of Covid-19 pandemic, which drew us closer as a global team and in a matter of weeks enabled perspectives on the new reality to be shared and products to be created. This would not have been possible without a diverse global team sharing insights, ideas and creativity.



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As we go forward, the Academy’s international network must not be seen as a one-way flow of best practice, but rather a multi-directional sharing of skills and insights. In so doing, we might also help address wider global misconceptions of people and place, which are at the heart of inequalities pervasive in our world.

Hard evidence: A global footprint of social enterprise leaders empowered by transformational learning, delivered through our International Hub network as well as direct delivery from Scotland.



4. Context and history of how it developed

Early in the 21st century, social enterprise was being recognised globally as having huge potential to re-shape business. In 2015, research by the British Council and Social Enterprise UK highlighted the relative scale of financial flows, how trade dwarfs traditional aid budgets and the potential of social enterprise to turn the financial resource of global trade towards achieving social impact. As many developing economies turned from aid to trade, social enterprise, micro-finance and social investment models were increasingly being used. However there was an identified gap in support



organisations to help create resilient teams within sustainable social purpose organisations. With a proven model, financially sustainable core business and 99% learner recommendation rating in Scotland, the Academy was in good shape to respond to international demand, recognising it had a global responsibility to share its practice, and learn from others in return. In 2012 the Academy had developed a social licensing model for replication, plus direct export of its leadership, entrepreneurship, social impact and learning programmes. Importantly, the activity of the Academy remained consistent with its original vision and mission, but now on an international scale.

From 2016-2020, an international network of 12 Social Enterprise Academy ‘Hubs’ was created, by coming together with key local partners with shared values on learning and development and the ability to commercialise the product in their countries. During Covid-19, Academy Hubs have successfully collaborated to enable transformational learning to happen entirely online. In 2020-21, SEA partners in each country stepped up to meet the needs of social enterprise leaders.

5. Outcomes (for different stakeholders)

For **International Hub partners** we bring 17 years’ experience in catalysing social enterprise growth with a significantly higher quality product than that which might otherwise be available in local ecosystems. Local partner delivery means the learning and development is culturally appropriate and relevant to learners’ realities. The **Scottish Government** is enabled to share a key strength and play a role on a global stage. The Scottish First Minister attended the launch of SEA Canada in Toronto and SEA China in Beijing. The **Scottish Government** knows our programmes will develop local capacity and ecosystems, as well as in-country capacity with lasting benefits. Our **British Council** work contributes to local ecosystem capacity, often translating into the establishment of Hubs, which can be sustainable augmentations to social enterprise ecosystems otherwise in their infancy. **Scottish social enterprises** have benefited from enhanced learning products and experiences as well as global connection. They are exposed to new models, insights and perspectives, and peers on five continents. Collaborative learning programmes create opportunities for international skills and methodologies to be introduced to Scotland. **Academy staff** are exposed to diversity of thought and imagination. They know their work is enabling change-makers to address SDGs across the world.

6. Drivers and Barriers

“Replication is like start-up, just in multiple locations. It requires energy, experimentation, investment, capacity, a solid core business, strong relationships, patience and confidence.”

Sam Baumber, founding CEO of Social Enterprise Academy International CIC

Drivers	Barriers
Our responsibility, as global citizens, to share	Investment – we know that SEA Hubs can be



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<p>innovations and best practice which can make a difference</p>	<p>viable social businesses, but we also know they need approximately three years of revenue funding to create a track record of impact and generate presence in the market, to be able to win contracts and secure sales.</p>
<p>Our desire to widen our own horizons, take learning from philosophies, perspectives and approaches to which we might not otherwise be exposed</p>	<p>The opportunity cost of investing time and effort in bringing a partner to the level of readiness to ‘switch on’ the hub, limits our rate of growth.</p>
<p>Our wish to change the world, and not be comfortable with the social and economic inequalities which so often drive environmental or military conflict</p>	<p>Local market conditions, which might include poor governance or corruption in the wider ecosystem, as well as unstable political situations.</p>
<p>Our ambition to improve the learning product and experience for our learners in Scotland, to expose them to social enterprise models, case studies and leaders of global significance</p>	<p>Geopolitical structures and former colonial links can both enable and constrain development. Commonwealth countries often look to the UK for education and development support, but elsewhere there can be a lack of cultural infrastructure to enable connections. Existing colonial links can also create a dependency culture, from which our model is trying to progress.</p>



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7. Overall assessment – Key learning points

Finding the right partner – Hub partners must share our values on learning and social enterprise, and be able to commercialise the product. The latter requires an extremely strong network, particularly with ecosystem partners and public and private sector players. They also need good project management skills, an appropriate attitude to risk and a willingness to ‘go the extra mile’ to develop their Academy Hub as a viable independent social enterprise. They need passion and energy for providing transformational learning to change makers, which is equal if not greater than our own.

Investment - The development of new hubs takes time, so sustained investment and short-term cash flow need to be supported. Raising sufficient investment early enough is vitally important to free up capacity for business development. We recognise the need for appropriate start-up investment, over the first three years of a Hub’s development, to enable critical mass and financial viability.

Replication readiness - Engaging specialist external advice and legal support is useful; however your own staff understand how the business works. Supporting them to refine and develop the systems and products takes time, and testing needs an iterative approach. Sharing replication when it is ‘good enough’ allows testing and action. Constant improvement can lead to the feeling that the replication product is never finished, so it’s important to draw hard deadlines, and manage expectations.

Capacity – Initially staff were managing triple workloads - keeping domestic business running, developing the replication package, and pursuing business development in new markets. Investment to increase staff capacity to appropriate levels, before replication, is vital to keep staff healthy.

Managing change and uncertainty - Finding new partners, then securing investment in each location takes time and is not always straightforward. Keeping the team and stakeholders informed is important, and requires energy and commitment of the leadership team to keep positive.