



SOCIAL ENTERPRISE IN AOTEAROA NEW ZEALAND - WHERE ARE WE NOW AND WHERE ARE WE GOING?

CVSR RESEARCH FORUM, JUNE 2016

ĀKINA – OUR PURPOSE

Vision

Mission

Practice

Sustainable,
prosperous &
inclusive world

More social
enterprises
succeeding

Provide / facilitate
development
supports SEs need

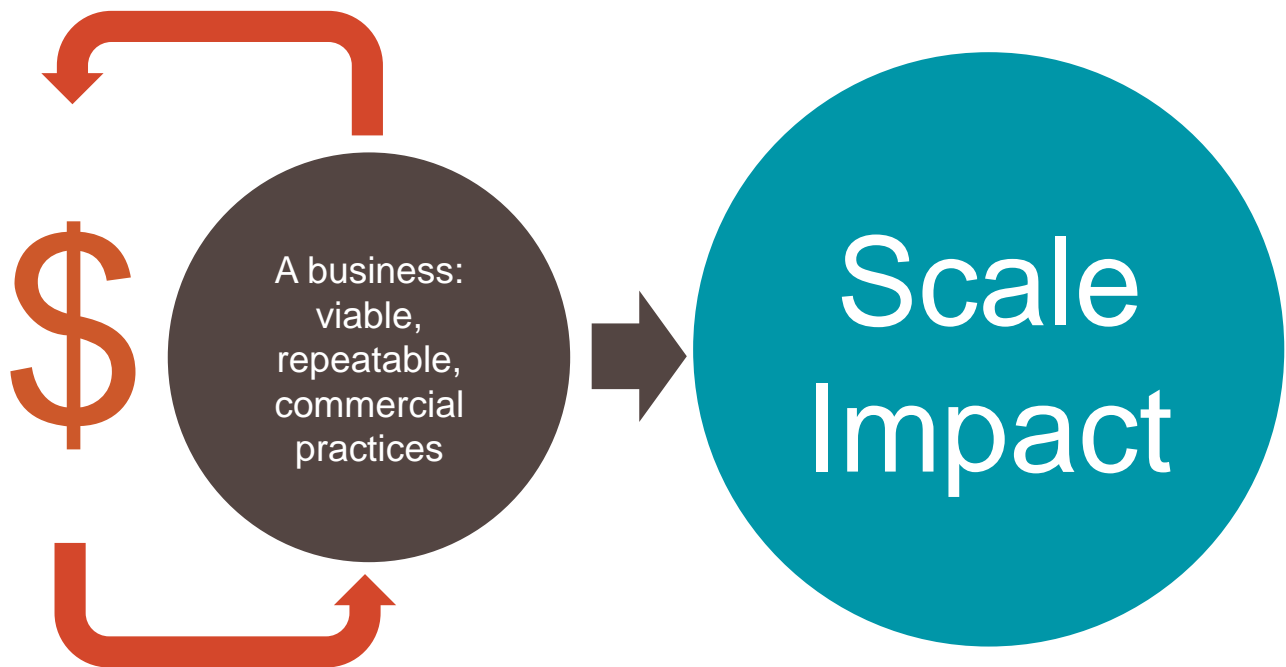
WHAT I'LL TALK ABOUT

1. Where are we now?
2. The prize and precedents
3. Where next: three horizons

01

SOCIAL ENTERPRISE: WHERE ARE WE?

Social enterprise



SOCIAL ENTERPRISES

- Not homogeneous – community orgs, NFPs, businesses
- Market size still unknown – 2000-2500?
- Activity increasing, quality improving, pipeline maturing
- Increasing interest in investment (recent survey)
- Mixed motivations and prospects...
- Legal form always a question
- Underserved + unmeasured

GOVERNMENT

- Profile of SE opportunity and internal champions growing
- Linkages being made between SE and a number of initiatives
- A position but no policy
- DIA strategy group – influence pending
- Intentional approach in 2017, make-do in 2016...?
- Increasing activity at the local level
- Increased recognition of the value of specialist intermediaries

BUSINESS

- Corporates searching for more sophisticated / integrated approaches to community investment
- Multiple points of interest – employees, customers, communities, procurement, partnerships
- Mass movement & convergence in:
 1. Innovation / startup sector
 2. 'Shared value'
 3. Materiality / B Corps

PHILANTHROPY

- Interest increasing
- Mixed understanding of role / questions around strategy
- Real and perceived barriers to providing support
- Operations vs. governance = constipation
- PNZ conference in 2017

INVESTORS

- Curiosity continues – individual cases vs. market building
- Lack of market / facilitative mechanisms
- Lack of precedents + know-how in professional services
- Technology game-changing
- International sources also an option
- Institutional investors a long way off – scale required
- Accelerated mobilisation if deal flow becomes explicit

02

THE PRIZE & PRECEDENTS

RESULTS IN SCOTLAND



Tackling disadvantage

Figure 4: Where social enterprises work: by level of deprivation compared to SMEs²⁷

Band	1	2	3	4	5
Social enterprises ²⁷	38%	26%	14%	9%	7%
SMEs	12%	19%	21%	26%	22%

Most deprived ← → Least deprived

Eden Project



Mondragon



ECOSYSTEM APPROACH



Business Growth Agenda

The Business Growth Agenda lays out a coherent plan to build a more productive and competitive economy

The opportunity

We have set a strong base

We are growing the economy, jobs and incomes

But we have work to do to support the increasing diversification of the economy, and raise incomes further

Now is the time to invest in ongoing growth – the kind of growth that all New Zealanders and regions will have the opportunity to benefit from



What we get

A market based economy that reflects Kiwi attributes – agile, resourceful, innovative and world-beating

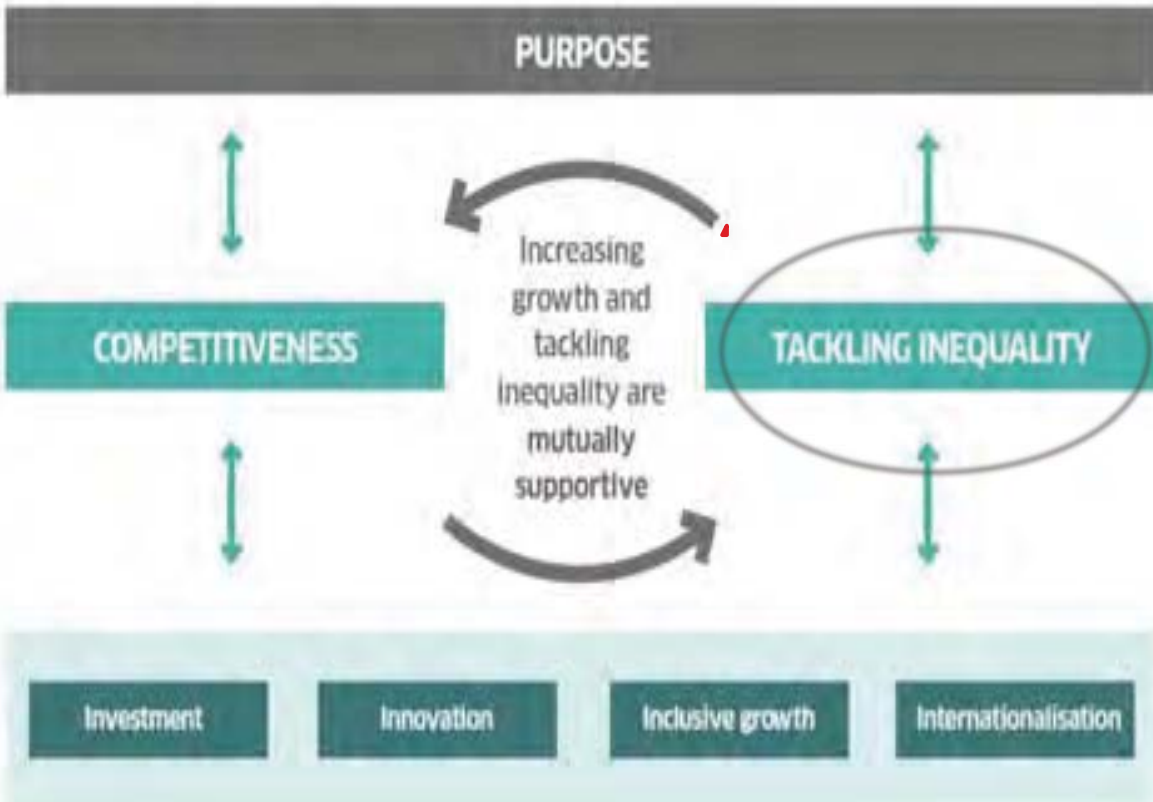
Our businesses add greater value to their goods and services – attracting a premium from our natural resources, intellectual edge and industry know-how

We are more internationally connected to reduce the impacts of distance, and seen as a real hub of talent and ideas for the Asia-Pacific region

An economy where all regions and our people have the opportunity to grow and prosper

We are one of the most highly-skilled countries in the world, with ambitious business leaders who make the best of our diversity of talents and ideas

Figure E.1: Scotland's Economic Framework



Inequality, change & discontent



GLOBAL TRENDS

- Impact investment growing quickly but slower than predicted
- Social procurement & value chain
- New legal forms
- International development approaches
- Regional economic development
- Asia – SE is welfare 3.0
- The mature ecosystems are still young
- The young are more intentional and will develop quicker
- Entrepreneurs vs. democracy...

03

WHERE NEXT: THREE HORIZONS

What comes first?

HORIZON ONE

- Sector data
- Legal form / registered status / accreditation
- Sector body > organisation + coherence
- Government: coherence, mandate, policy,

2017 IN CHRISTCHURCH



HORIZON TWO

- Innovation infrastructure: specialised + widespread support
- Knowledge infrastructure + network infrastructure
- Community ownership models + support platforms
- Social finance market
- 'Smart' procurement
- Māori – capital, assets, need, geography, values, opportunity
- Mainstream education – all levels
- 'The social economy'

HORIZON THREE

- Knowledge base + research-led policy + practice
- Impact / outcomes markets – social + environmental
- Data platforms / integration of metrics
- Competition with the commercial sector? Or blending?
- Technology + wider macro trends...

The bigger idea

