

Nova Scotia Social Enterprise Sector Strategy 2017

Real business, real change, real good. Guaranteed.



**SOCIAL
ENTERPRISE
NETWORK
OF NOVA SCOTIA**

www.senns.ca



"The many significant achievements of community economic development and social enterprise groups across the province are indicative of what can be done when leaders in different sectors put their heads together to change attitudes and build better future from the ground up.

From New Dawn and Development Isle Madame in Cape Breton, to active employment support agencies and non-profit housing groups in Halifax, to the Flower Cart in the Valley, to the All Hands on Deck initiative in Yarmouth, and many, many others — Nova Scotia has a strong base of leadership organizations that can contribute significantly to wider economic development strategies."

(Now or Never: An Urgent Call to Action for Nova Scotians, page 41)

This strategy has been made possible by the significant efforts of social enterprise sector stakeholders from across the province, and senior government leaders from many provincial and federal departments.

It could not have happened without a shared commitment to genuine collaboration. The process of building this document and the concurrent provincial framework is a testament to the fact that many people share a sense of hope that we can, and *will* do better.

The Social Enterprise Network of Nova Scotia (SENNS) is committed to building a better, more prosperous Nova Scotia. In every corner of our province you can see people and organizations building and running businesses that create social, cultural, and environmental value. This is social enterprise. It is not a new business model. It is not a fad. It is here to stay.

SENNS is committed to advocating on behalf of entrepreneurs and businesses that are trying to build real value in our communities. Our strategy lays out the goals, measurement indicators and approaches we will deploy to support our sector's growth. With more than 3000 jobs and growing, the social enterprise sector is a big part of Nova Scotia's present and a promising part of our future.

SENNS is a non-profit, member-led society, building our movement on behalf of the 1000+ social enterprises in our province. There is room in our membership for you, your organization, and our academic, business, and government supporters. Join us in making Nova Scotia a world leader in business that builds community value with every transaction.

Yours truly,

Cathy Deagle Gammon

President, SENNS

Background

Social Enterprise Network Nova Scotia

The Social Enterprise Network Nova Scotia Society was incorporated in 2015 to begin to look at enhancing the strength of the social enterprise sector in Nova Scotia. Social enterprises are a central component of our communities and our economy and stand to increase their influence, impact and share of the market in the years and decades to come.

Looking to other provinces, regions and countries, the Social Enterprise Network Nova Scotia Society believes that clear and concrete steps can be taken to increase the capacity, confidence, recognisability, and stability of social enterprise in Nova Scotia.

Social Enterprise in Nova Scotia

Nova Scotia should be celebrated as a place of social innovations that meet community need through vibrant economic initiatives.

From the Antigonish Movement's rural resilience cooperatives to Canada's first Community Economic Development Corporation, New Dawn Enterprises, and 1000s of other social enterprises active across the province today, purpose-driven businesses and organizations are creating a better economy.

"And much impressive work has been done by community organizations to build social enterprises and provide expanded training and employment support for women, older workers, at-risk youth and people with disabilities."

(Now or Never: An Urgent Call to Action for Nova Scotians, page 40)



How Social Enterprise Enhances Nova Scotia

Social enterprises play a vital role in Nova Scotian communities, helping to directly address a wide range of important issues:



The Strategy Development Process

Defining a Vision for Our Sector

The Government of Nova Scotia, the Social Enterprise Network of Nova Scotia (SENNS), social entrepreneurs, and other key stakeholders held a series of workshops through early 2016 to develop a common agenda for growing the social enterprise sector. This group agreed to define Social Enterprise in Nova Scotia as follows:

A social enterprise is a business operated for the purpose of addressing social, cultural, environmental or economic challenges. The majority of profits or surpluses are reinvested to support that purpose.

A vision for the sector was also identified:

Our vision is a better Nova Scotia through social enterprise.

The workshops of 2016 identified barriers to the social enterprise sector's growth and articulated various approaches and specific actions to address and overcome these barriers. Collaboration among the sector, government, and other stakeholders, as well as the mutually-reinforcing nature of their actions, will be key to the success of this strategy's implementation.

The One Nova Scotia Commission's report, *Now or Never: An Urgent Call to Action for Nova Scotians*, indicated that government cannot be the primary source of economic growth. Nova Scotia needs more businesses that are working to build on economic opportunities at home and abroad if it is to achieve the economic goals of the Report. Social enterprises can help achieve this, even as they contribute directly to addressing important cultural, social, and environmental issues within Nova Scotian communities.

Policy Pillars for Advancing the Social Enterprise Sector

Nova Scotia's shared social enterprise strategy is built upon six "Policy Pillars", which were originally developed and adopted by the Social Enterprise Council of Canada, at the 2009 Canadian Conference on Social Enterprise in Toronto. These pillars have also been formally adopted by the Social Enterprise Network of Nova Scotia (SENNS), and are as follows:

1. Increase Enterprise Skills
2. Enhance Access to Financing
3. Expand Market Opportunities
4. Promote and Demonstrate Value of the Sector
5. Create an Enabling Legislative and Regulatory Environment
6. Build a Strong Social Enterprise Network

These policy pillars are complementary and will not be pursued in isolation. Concerted efforts in each area will be needed for the sustainable growth of the social enterprise sector and the healthy strengthening of a supportive network. Many of the approaches and actions identified in the following

pages enable, support, and in some cases are contingent upon one another. Additionally, ongoing and growing cooperation, sharing, and learning within the identified network of partners around the pillars of this strategy will make it an increasingly effective and tangible focal point for the development of Social enterprise for intermediaries, other sectors, and all levels of government and First Nations.



Transport de Clare

Founded in 1996 by Claredon Robicheau, Transport de Clare was the first nonprofit, community-based transportation service in Nova Scotia. Their mission is to provide safe and affordable door-to-door service to seniors, persons with disabilities, economically disadvantaged persons, and those with limited or no access to a motor vehicle.

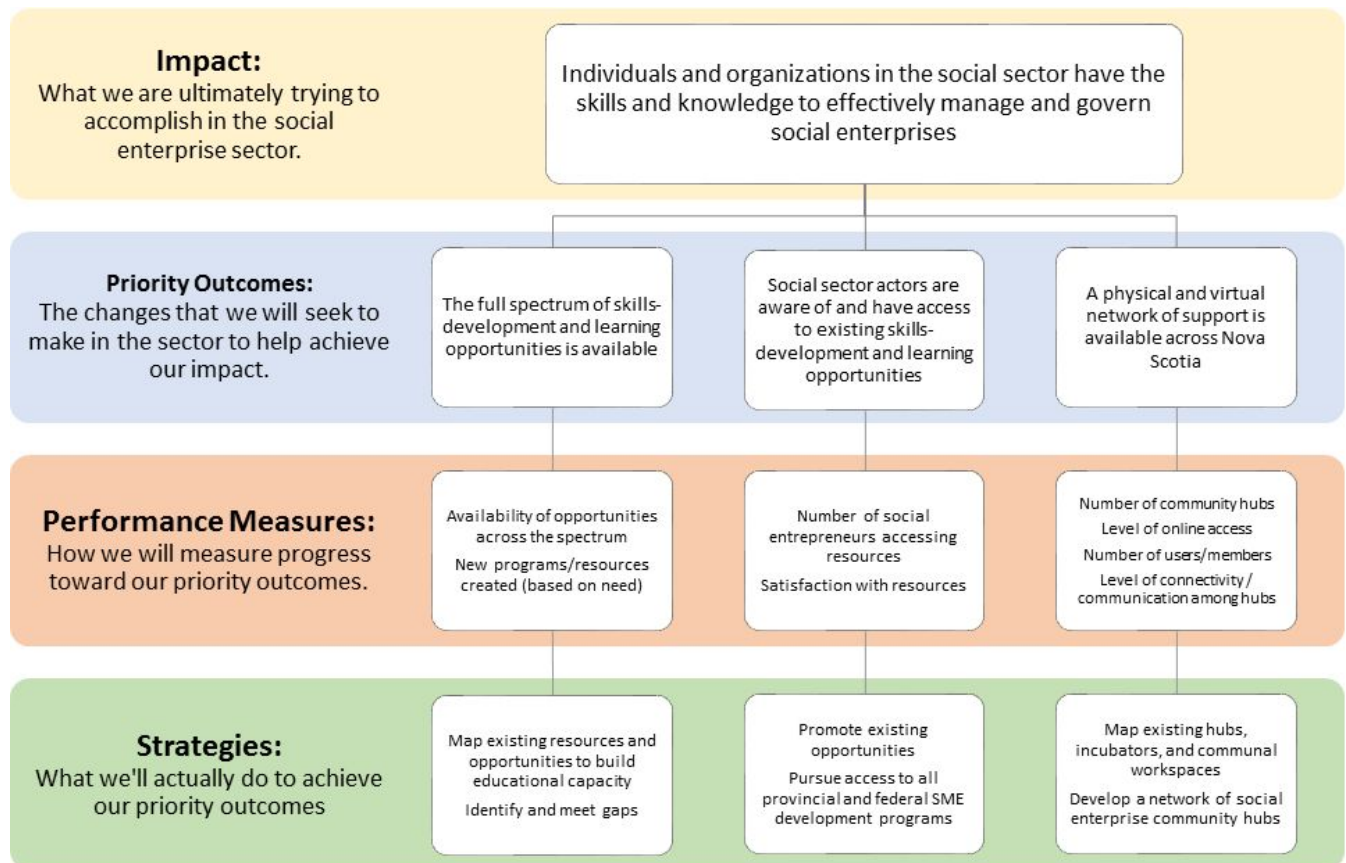
Pillar #1 - Enhance Enterprise Skills

Background

Successful social entrepreneurs require a hybrid set of skills that are drawn from the social and private sector. Capacity building and other learning opportunities help social entrepreneurs at all stages of business development and growth. Like many small businesses, most social enterprises are started and run by people who are passionate about what they do, but who could benefit greatly from further skills development when it comes to operating a business. Success is often contingent on their ability to acquire the training and skills they need in a timely and affordable fashion.

Ensuring entrepreneurs have province-wide access to training and information resources to establish and grow social enterprises is integral to the growth and sustainability of the sector. In response to these needs, SENNS and its partners will develop a suite of tools and services to support and deliver capacity building resources to social entrepreneurs and other key social enterprise sector participants.

Logic Model for this Pillar



Lead Strategies for This Pillar

Impact Incubator

One of the primary capacity building tools will be the Impact Incubator. Administered by SENNS, the Impact Incubator will offer locally-delivered introductory workshops, along with web-based learning modules, coaching, mentoring, and networking events to provide social entrepreneurs with tools, networks, and resources they need, wherever they are in the province. The delivery of activities will take place in person, online, and through a network of community hubs.

Social Enterprise Portal

Access to the Impact Incubator, as well as other services and resources pertinent to the development of social enterprises at various stages of growth, will be supported through an online Social Enterprise Portal. The Portal will be a centralized hub, a clearinghouse for reliable information and an important starting point for social entrepreneurs.

The Halifax Music Co-op

The Halifax Music Co-op is a fiery non-profit social enterprise that is determined to make ensemble music accessible to everybody in Halifax. They aim to build community by creating a fun, safe, welcoming environment where members can grow as individuals as they access high quality learning opportunities, regardless of financial situation. The HMC hosts many high quality performances by its members each year.

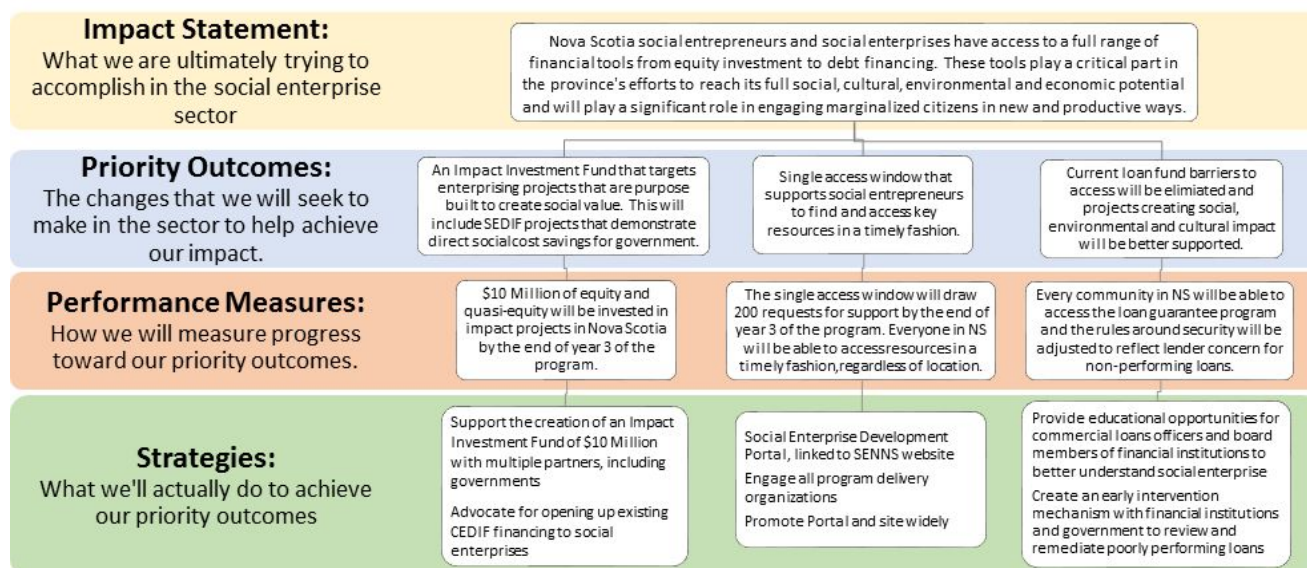


Pillar #2 - Enhance Access to Financing

Background

All businesses require access to financial capital, and social enterprises are no different. Nova Scotian social enterprises require access to equity, quasi-equity, and debt financing. These financing tools are critical to the sector's ability to reach its full potential and play a significant role in engaging communities in new and productive ways. Providing access to a variety of supportive financing options is critical to enabling the social enterprise sector to realize success across all of the framework pillars.

Logic Model for this Pillar



Many social enterprises are owned and operated by nonprofit organizations – a status that limits their funding options to grants and loans. Grants are not a long-term funding solution and loans can be costly, particularly for the start-up and growth stages, and access to loans is inconsistent across Nova Scotia. Loaning money to nonprofit-owned social enterprises often presents unique challenges to lenders. For example, securing personal guarantees from board members is difficult if not impossible and lenders may feel that they would be unable to realize on collateral from a defaulting enterprise that is critical to the community. These factors have led to gaps in service in many communities.

Lead Strategies for This Pillar

Engaging Lenders

A first priority in creating a financing environment focused on promoting the success of social enterprises will be to work with lending organizations like Nova Scotia Credit Unions and Community Business Development Corporations to ensure access to the full spectrum of financial tools regardless of location.

Open up CEDIF Financing to Social Enterprise

Community Economic Development Investment Funds (CEDIFs) are currently limited to for-profit companies, and many social enterprises are incorporated or owned by nonprofit societies and co-operatives. SENNS will investigate the potential for opening up CEDIFs to provide “patient capital” to social enterprises, while also engaging community members and raising the profile of social enterprise as a financially viable way of doing business.

Impact Investment Fund

In addition to the support of these community institutions and newly-developed financial tools, various levels of government and SENNS will pursue and support the creation of an Impact Investment Fund, that provides equity and quasi-equity financing to social enterprises. This fund would potentially be a “fund-of-funds”, with multiple providers of financing working together to provide a co-ordinated source of financing.

Integration with the Impact Incubator and Social Enterprise Development Portal

Information on these financial options and more will be made available to social entrepreneurs through the Social Enterprise Development Portal, while guidance on their implementation will be provided through the Impact Incubator and through partnerships with local financial institutions and advisors connected to the sector.

Wolfville Farmers' Market

The Wolfville Farmers' Market is a not-for-profit cooperative with 22 member vendors and over 100 vendors on its roster. Their aim is to provide a fair and direct market venue for locally-produced goods and services in an environment that inspires and nourishes community. They are open year-round and are striving to operate even more sustainably with the addition of solar panels for electricity generation. The Wolfville Farmers' Market is adding to local food security, bringing people closer to the source of the food they eat, and serving as a small business incubator, while creating community connections in the Wolfville and surrounding area.



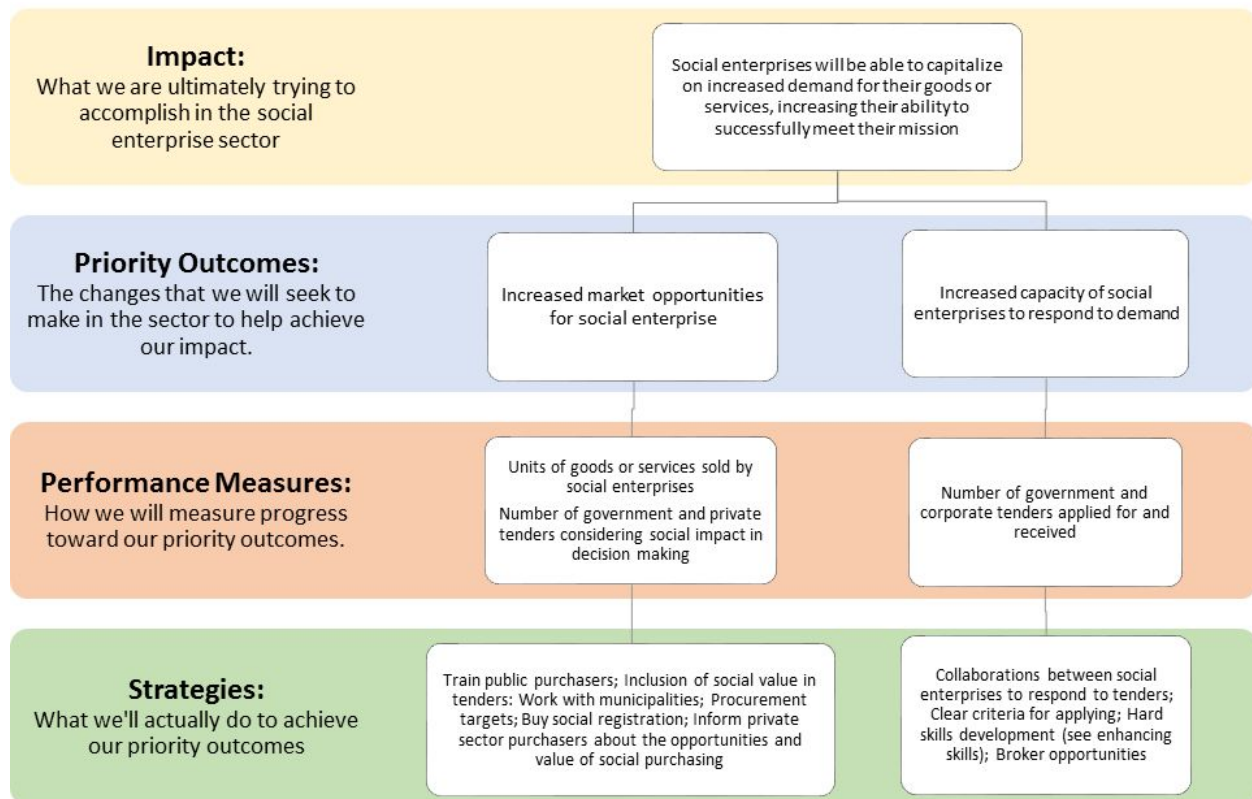
Pillar #3 - Expand Market Opportunities

Background

The development of supportive procurement policies by the provincial and municipal governments, academic institutions, school boards, health authorities, and private corporations could have a transformative impact on the social enterprise sector's ability to scale social outcomes. Shifting even a small percentage of existing procurement spending could translate into tens of millions of new sales dollars for Nova Scotian social enterprises. By adding social value as a purchasing criterion (along with price, quality and risk), significant benefits could be realized by both the social enterprise suppliers (access to new, much larger customers) and the purchasers (creating social impact with their existing purchasing budgets).

The process of creating procurement partnerships that create value for both buyers and sellers must start with raising awareness of the capacity of the social enterprise sector to deliver value for a buyer's existing purchasing dollars. The sector must communicate the value of their high-quality products and services, as well as the value of the social outcomes that they are achieving in producing the products and services.

Logic Model for this Pillar



Lead Strategies for This Pillar

Buy Social Canada

One key tool to foster connections between social suppliers and purchasers is Buy Social Canada. Once recognized as a third party certification by the provincial government, SENNS will engage Buy Social Canada to seek out social suppliers and purchasers, verify that they meet defined certification criteria, and register approved organizations on an online, searchable marketplace.

Building the Capacity of Suppliers

It will be essential that social enterprises have the capacity necessary to respond to procurement opportunities in a timely manner, with sufficient quantities of products and services, at a competitive price, quality, and risk. As the outcomes of pillar one (Capacity Building) suggest, tools and resources such as the Impact Incubator will be put in place to equip social entrepreneurs to build and scale the production and distribution capacity of their social enterprises to ensure this is the case.

Building the Capacity of Purchasers

SENNS will work to develop training and tools to support key purchasing decision makers, as they begin to integrate social value into their procurement practices.



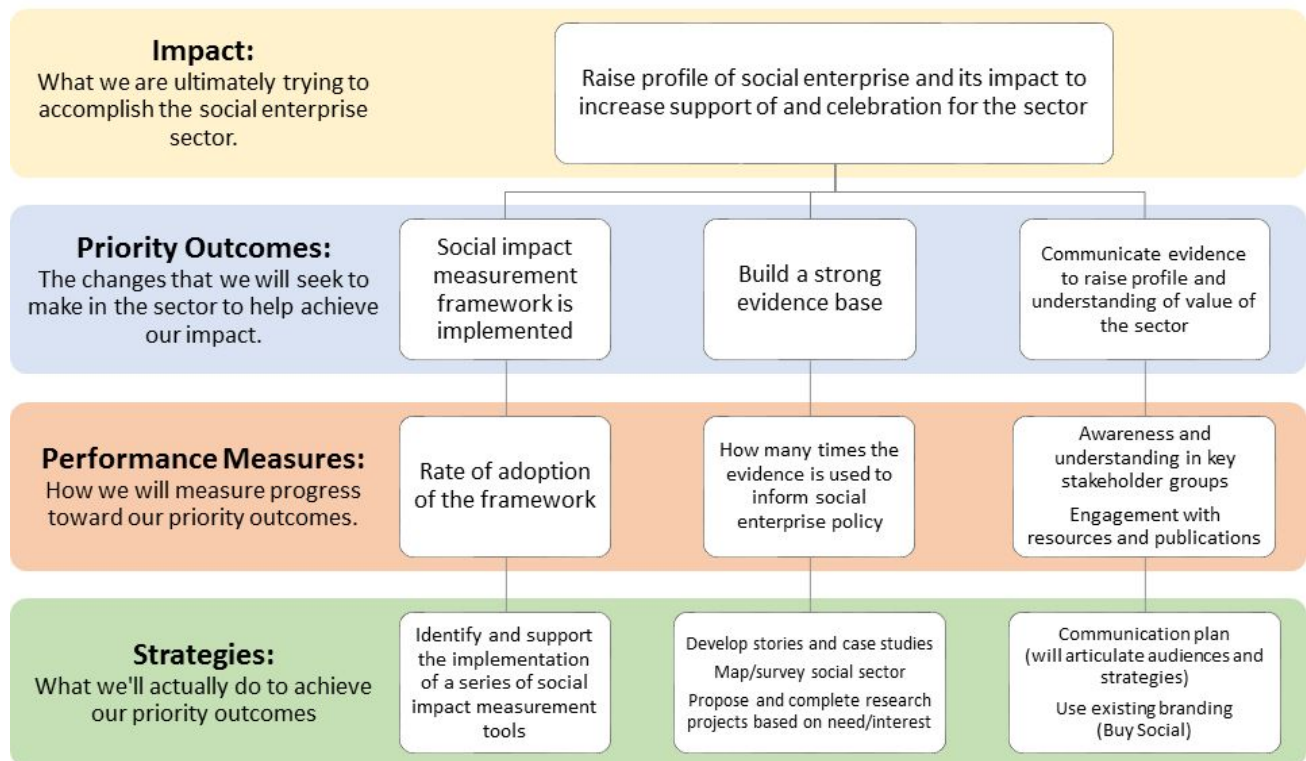
Pillar #4 - Promote and Demonstrate Value of the Sector

Background

The social enterprise sector has many stories of success. Collective reporting and evaluation can help to strengthen these narratives. By collecting, assessing and sharing the impacts of the social enterprise sector, the sector can be better understood and supported.

Several studies and reports were completed over the last five years to begin mapping and measuring the social enterprise sector in Nova Scotia. Continued studies and documentation of the sector will help to develop a strong evidence base for illustrating its value to Nova Scotians. The communication of specific outcomes to individuals and communities to whom the impact is immediately relevant will deepen their understanding and appreciation of the value social enterprises create.

Logic Model for this Pillar



There are a variety of stakeholders to whom it is critical that the value and scope of the impact created by social enterprises be communicated. For example, funders, whether they be government, CEDIF/SEDIF contributors, or other organizations, must be made aware of the blended (social and financial) returns of their investment. To enable and sustain social procurement policies, producers must

be able to clearly communicate the social value of their products and services to purchasers. Finally, individuals around the province need to know about the social, environmental, cultural, and economic value that social enterprises in their cities and communities are creating so that they can make informed purchasing and investing decisions.

Lead Strategies for this Pillar

Adoption of a Social Impact Measurement Framework

Researching and developing a “made in Nova Scotia” measurement framework and dashboard that provides tools to organizations to build their own reporting processes.

Research and Case Studies

SENNS will survey the sector and update the work done in 2014. The survey will be done in partnership with an academic institution in Nova Scotia and will reflect a broader view of activity than the previous surveys. A researcher/writer will be contracted to build on the survey with case studies and stories from sector actors across the province.

Communications Strategy

Working within the existing branding structures and focusing on outcomes, SENNS will create a communications plan that articulates the value of the sector to the Nova Scotia economy and quality of life of all citizens.



New Dawn Enterprises Limited is a private-volunteer directed business and the oldest Community Development Corporation in Canada. They seek to identify community needs and to establish and operate ventures that speak to those needs, employing over 175 people serving over 600 Cape Bretoners each day in the process. The enterprise operates real estate, home care, and meals on wheels ventures, and provides a wide range of training in continuing care assistance, esthetics, disability support, welding, and management. They also promote and enable local investment, have established the Centre for Social Innovation, and operate the Cape Breton Island Centre for Immigration.

Pillar #5 - Support the Creation of an Enabling Legislative and Regulatory Environment

Government actions, decisions and policies play an important role for all businesses including social enterprises. Legislative and regulatory frameworks can greatly influence a social enterprise's ability to succeed.

It is imperative that regulatory and legislative barriers to creating a thriving social enterprise sector in Nova Scotia be identified, and that key sector stakeholders and government policy makers work together to create a policy framework that is more supportive of social enterprises.



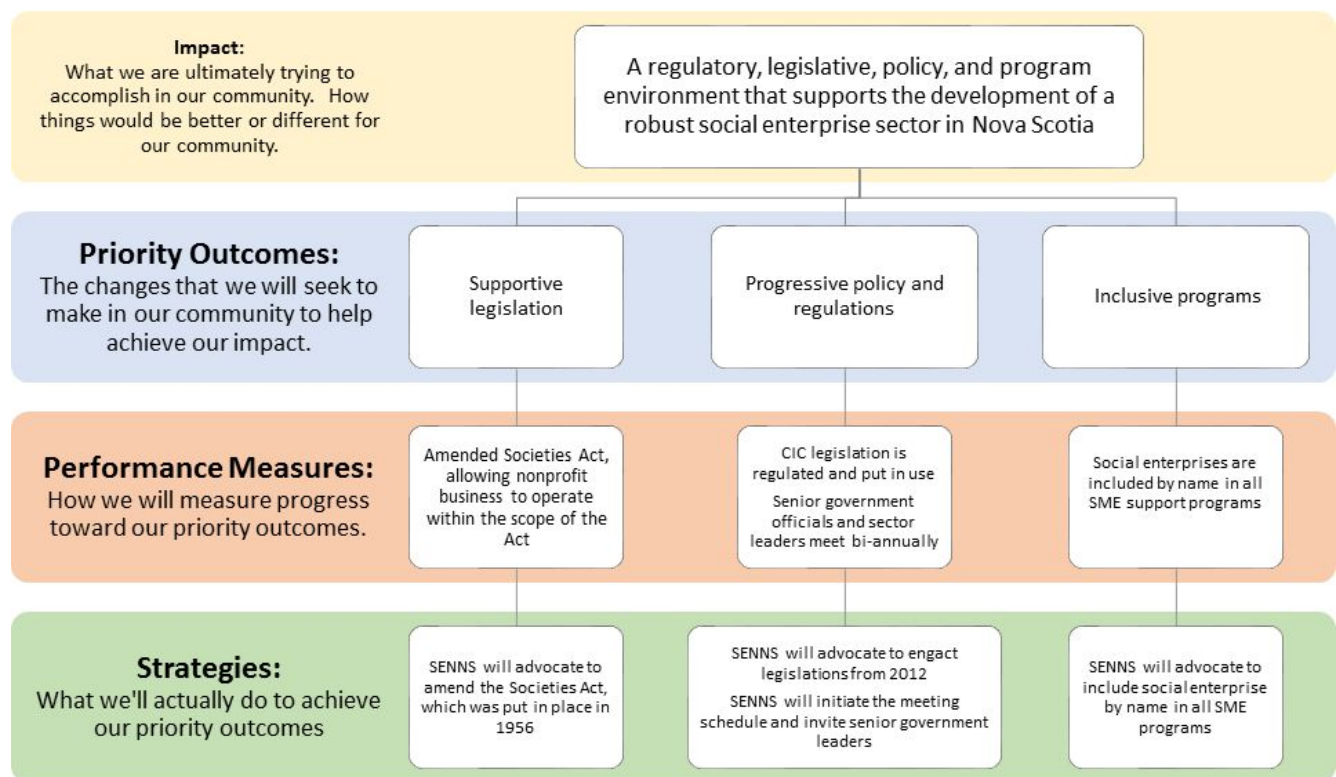
Stone Hearth Bakery

Stone Hearth Bakery is a social enterprise established in 1982 providing a work-based training program in the high demand skill of baking. The retail and wholesale bakery is the only kosher bakery east of Montreal, producing premium quality European-styled, breads, bagels and specialty baked goods that are distributed throughout the Maritimes, and can be found in most major grocery stores. Their latest enterprise is Stone Hearth Café and Catering--a full-service café, catering company and work-skills training facility under one roof.

This document is a first step toward achieving this goal. Next, a working committee of government and sector representatives will be established to meet regularly and guide a review of legislation, regulations, and programs throughout government, creating and maintaining an open dialogue around policy decisions that clear a path for the success of social enterprises in all areas of the province.

In Nova Scotia, the recent completion of regulations creating a new hybrid *Community Interest Company* legal structure is one component of the type of legislative and regulatory environment that will enable the continued growth of the social enterprise sector.

Logic Model for this Pillar



Lead Strategies for this Pillar

Advocate for Amending the Nova Scotia Societies Act

Currently, the Nova Scotia Societies Act prohibits nonprofits from undertaking any enterprise activities, despite the fact that many, if not most nonprofits are involved in enterprise activities, with the full blessing of Provincial Government agencies. A minor wording change in the existing Act would rectify this problem.

Create a Working Committee

SENNS will co-create an advisory council, composed of representatives from engaged social enterprises, the local business community, intermediary organizations, and related government agencies, to provide ongoing guidance to government on policy and programs.

Annual Report on Committee Progress and Barriers

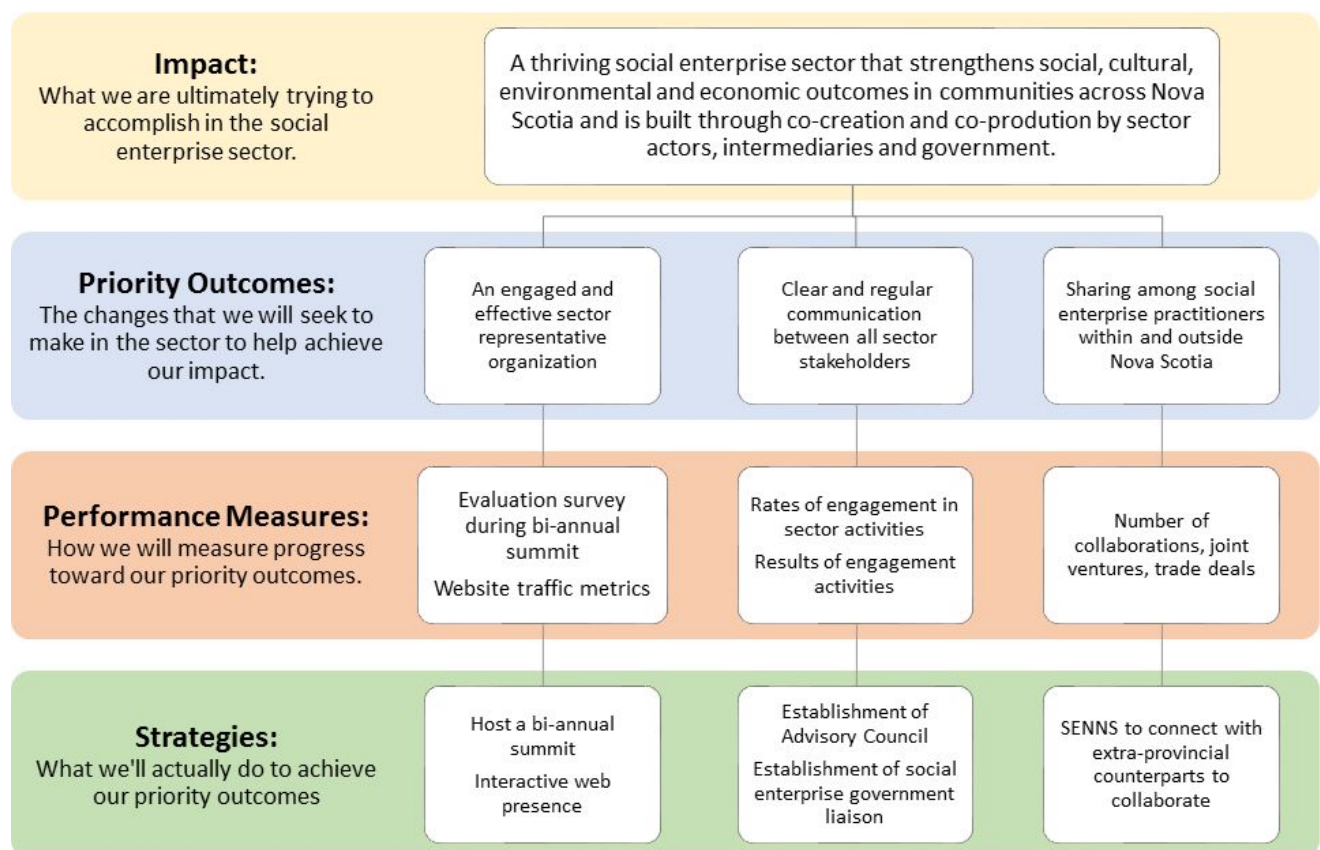
SENNS will create an annual report card on progress in the sector. Over time this report card will create a timeline and record of growth and improvement across a number of important outcome areas.

Pillar #6 - Build a Strong Social Enterprise Network

Background

Nova Scotian social entrepreneurs have largely operated independently, without the benefit of a strong network of peers, intermediaries, and government agencies to support them. Tremendous opportunities exist to share information and support, to address challenges, and for enterprises to realize their full potential. It is therefore critical that these independent enterprises evolve into a mature, networked sector.

Logic Model for this Pillar



Lead Strategies for this Pillar

Bi-Annual Social Enterprise Summit

SENNS will host a bi-annual summit, where Nova Scotia's social enterprise can connect, share, and celebrate their important role in creating thriving communities.

Advisory Council

SENNS will co-lead an advisory council, composed of representatives from engaged social enterprises, the local business community, intermediary organizations, and related government agencies, to provide ongoing guidance to government on policy and programs.

Government Liaison

SENNS will seek a senior official from within the Provincial Government, to be designated as the primary liaison for the social enterprise sector.

Conclusion

Nova Scotia's burgeoning social enterprise sector is poised to make an even-greater contribution to the wellbeing of our communities, and to be leaders in the development of prosperous local economies. With the right, strategic investments in training, finance, market development, and community engagement, and with more supportive legislation and regulation, our sector will help transform our province into a world leader in inclusive, sustainable community and economic development. Our sector's leaders have worked hard with their intermediary and government counterparts to co-create this balanced strategy, which is informed by the best practices of leaders from across Canada, the USA, and United Kingdom. We look forward to continuing with the important work of implementing this strategy-of-strategies with our partners -- building a strong sector, thriving local economies, and prosperous communities.

Acknowledgements

Steering Committee

- ❖ Province of Nova Scotia
- ❖ Social Enterprise Network of Nova Scotia (SENNS)
- ❖ Common Good Solutions

Participating Organizations

1. ACOA Nova Scotia
2. Community Foundation of Nova Scotia
3. Common Good Solutions
4. Dartmouth Adult Services Centre (DASC)
5. Directions Council
6. New Dawn Enterprise
7. Nova Scotia Co-operative Council
8. Nova Scotia Business Inc.
9. Province of Nova Scotia, Department of Business
10. Province of Nova Scotia, Department of Communities, Culture and Heritage
11. Province of Nova Scotia, Department of Community Services
12. Province of Nova Scotia, Department of Labour and Advanced Education
13. Province of Nova Scotia, Department of Internal Services, Procurement
14. Province of Nova Scotia, Department of Municipal Affairs
15. Province of Nova Scotia, Department of Seniors
16. Province of Nova Scotia, Office of Aboriginal Affairs
17. Province of Nova Scotia, Office of Regulatory Affairs and Service Effectiveness
18. St. Francis Xavier University
19. Third Sector Enhancement
20. Western Regional Enterprise Network