

SOCIAL ENTERPRISE STRATEGY

OVERVIEW



The Victorian Social Enterprise Strategy represents the start of a stronger partnership between the Victorian Government and the social enterprise sector. The measures in the strategy will create jobs, drive productivity and workforce participation, and in doing so, help build a more cohesive society.

Social enterprise activity is estimated to make up 2-3 per cent of national GDP¹, with around 20,000 social enterprises operating in Australia, a quarter of these in Victoria². The sector is growing rapidly and making an increased contribution to employment and workforce participation. More than 50 per cent of social enterprises were established in the last five years, and over a third of social enterprises identify their primary purpose as providing employment opportunities for disadvantaged groups³.

The Social Enterprise Strategy sets out how government will partner with the sector, to build on existing momentum by providing strategic leadership and proactive support through three key action areas:

1. Increasing impact and innovation
2. Building business capacity and skills
3. Improving market access

SOCIAL ENTERPRISES

- are led by an economic, social, cultural, or environmental mission consistent with a public or community benefit
- derive a substantial portion of their income from trade
- reinvest the majority of their profit/surplus in the fulfilment of their mission.

Source: Social Traders

ACTION AREA 1: INCREASING IMPACT AND INNOVATION

1. Opening Doors for Social Enterprises.

This will include the update of relevant information on government websites and in program guidelines, and a program of meetings and training on social enterprise for government staff.

2. Connecting the Community.

A stronger sector will be built through establishing a state-wide Victorian Social Enterprise Network which government can work with to implement this strategy. The network will include project and issue-based meetings, complement the other strategy initiatives and support engagement of social enterprise SMEs with government, intermediaries, buyers and each other.

3. Valuing Social Enterprise's Impact.

The government will support a program of research on the potential for social enterprise in Victoria including valuing social impact. This initiative will generate research data and information to provide better, localised evidence for future policy.

ACTION AREA 2: BUILDING BUSINESS CAPACITY AND SKILLS

4. Building Skills to Grow Your Business.

The government will facilitate the creation of a skills development program for social enterprise SME founders and managers – supporting the viability, sustainability and growth of the SME. The program will provide direct training to social enterprises and will seek to broaden access to growth-focussed training – especially for enterprises in regional areas.

5. Assisting Intermediaries.

The government will provide pilot funding to test new initiatives supporting the development of the intermediary sector to provide specialist business support, advice, mentoring and signposting to social enterprise networks, investors and buyers.

ACTION AREA 3: IMPROVING MARKET ACCESS

6. Social Procurement Framework.

The government will develop a whole of government social procurement framework to provide guidance to departments and agencies regarding opening tender and procurement opportunities to social enterprise SMEs. The project will also work on the creation of a broader framework for considering the economic and social value from working with social enterprises.

7. Social Enterprise Recognition.

The government will support the development of a recognition scheme to help identify social enterprises and build the confidence of buyers, creating a directory-like information source identifying Victorian social enterprises.

8. Marketplace Partnering.

On-line Matching Platform and On-ground Events Calendar. The government will facilitate the development of an on-line partnering platform to link government and corporate buyers with social enterprise and support a calendar of metropolitan and regional market place events to link buyers with social enterprise.

NEXT STEPS

The Victorian Government wants to continue to be a national leader in social enterprise policy and development.

Implementing initiatives within the three action areas will lead to the growth and sustainability of the social enterprise sector and the creation of new jobs, particularly for disadvantaged Victorians.

The Government has allocated \$3 million to start implementing some of the Social Enterprise Strategy's activities. Immediate priorities include:

- the establishment of a statewide Social Enterprise Network;
- research on the demographics and impact of the sector in Victoria;
- a feasibility study on development of an on-line Skills Development hub

In the longer term a major deliverable will be to develop a social procurement framework to increase opportunities for the social enterprise sector to be involved in delivering government contracts purchasing goods and services, ultimately benefitting disadvantaged groups and delivering enhanced value to taxpayers.

You can see further details on the implementation of this strategy and the key initiatives at: economicdevelopment.vic.gov.au/social-enterprise



BENEFICIARIES

The mix of social enterprise beneficiaries in Australia.



Source: J Barraket, C Mason, B Blain (2016) *Finding Australia's Social Enterprise Sector: Final Report* and Social Traders website

- 1 Social Traders
- 2 J Barraket, N Collyer, M O'Connor & H Anderson (2010) *Finding Australia's Social Enterprise Sector: Final Report*
- 3 J Barraket, C Mason, B Blain (2016) *Finding Australia's Social Enterprise Sector: Final Report*