



SECTION TWO: IMPACT OF ENTERPRISE ON ORGANISATIONS AND YOUNG PEOPLE

Introduction



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"The youth organisations involved in the EDP do ground-breaking work. We have seen organisations take on ambitious projects such as: training young people to become strategy consultants advising other charities; supporting young people into professional jobs in the film industry; providing opportunities for under-served young people to participate in music and enterprise training; opening their own shops; and selling packages of tailored services and programmes to schools and local authorities. We have seen these projects shift, adapt and grow in response to the participants' understanding of enterprise, and the external context within which they are operating.

Enterprise development can provide an avenue for organisations to bring in additional revenue, and critically, support them to use assets they already have, in new ways to support young people. It is not always the right fit but it is one tool that organisations can consider and explore to reach their goals.

It takes time for enterprise to have a significant impact on youth organisations and young people, but EDP participants did identify emerging impacts, both expected and unexpected. This section is separated into two parts: first, the enterprise of impact on youth organisations engaged in enterprise activity, then on young people."

The Enterprise Development Programme (EDP) is a five-year programme funded by Access – The Foundation for Social Investment. YMCA George Williams College has been the sector partner for the Youth strand of the EDP since 2019. The two cohorts of youth organisations accepted into the programme have received a co-designed, tailored grant package; financial consultancy support; a learning programme based on their needs; peer-to-peer sharing sessions, and a dedicated, accessible Programme Manager.

The organisations represented use a variety of business models, including shops and venue hire, selling training and consultancy, and supporting schools and local authorities. While enterprise is far from a cure-all or an uncontested method in the youth sector, these organisations' expertise can help better understand the needs of the sector surrounding enterprise, the impact of these models on young people and the organisations themselves, and how they can best be supported.

This section focuses on the impact engaging with enterprise has on youth organisations and the potential impact on young people who engage with enterprise projects (including socio-emotional learning, employability pathways, and social mobility). This section will be especially relevant to you if you're interested in the potential impact of enterprise in the youth sector.

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Sharpening organisational focus, confidence, and skills

The EDP is a one-year programme, and supporting new enterprises to a point where cash flow can be predicted is usually multi-year undertaking. The time for enterprise activity to move from the feasibility stage to profit generating is usually much longer than a year. As a result, the impact of enterprise, specifically on participants and young people, is not necessarily tangible or quantifiable at the time of this report. However, participants did identify emerging impacts, both for themselves and for their beneficiaries, expected and unexpected.

One of the most immediate impacts of engaging with enterprise through the EDP was the development of an internal entrepreneurial focus and culture, and the systems and processes that underpin this.

ORGANISATIONAL FOCUS: WHAT ARE WE DOING AND HOW DO WE DO IT WELL?

Whilst the member of staff leading the EDP for their organisation often had a vision and ambition for their organisation to become entrepreneurial, this vision was not always held by the organisation as a whole. For some participants, enterprise development has prompted reflection about their organisational identity and a greater focus on defining their mission.

For example, for one participant, the new work introduced by their enterprise activity has raised questions about how they communicate and promote themselves. In another, the rebranding process sparked a conversation about the content they were rebranding – and a subsequent refocus on their core values and how to deliver a more innovative training offer.

For another participant, their engagement with external customers has had a positive knock-on effect on their delivery, making sure they focus on achieving high quality outcomes in areas of their work outside of their commercial offer.

CONFIDENCE AND SKILLS

Participants have also grown confidence in their understanding of enterprise, and some are already thinking about the next phase of their current enterprise activity, or have identified other areas of their organisation that could become enterprising. Being part of the EDP has given them the confidence to believe it is possible to turn their ideas into reality, and provided access to the technical skills and expertise needed to get them off the ground. As one participant commented, “The plan is what we’ve always talked about, but we’ve never had the power, money, or the hours to do it, but the EDP has allowed us to do that”. This participant is now applying for further social investment, and the market research and creation of resources enabled by the EDP have given them the confidence to apply, feeling that they have something “that is worth investing in”.

Sharpening organisational focus, confidence, and skills

Some participants pointed to the importance of leading by example – to encourage their staff team, and the young people they work with, to think and act more entrepreneurially too. They are allowing themselves to “think big”, to continue to create enterprising opportunities for young people, as one participant explained:

“We want to promote enterprise, entrepreneurship, an attitude that you can build a career for yourself and not be tied down to the traditional employment route. With the facilities and equipment that we have, we can be a centre to promote enterprise within young people just for its own merit.”

The EDP has also supported participants to develop the necessary skills and operational systems to support the enterprises they develop. These skills include, for example, understanding the difference between costing their work commercially and for grant applications, or how to market to the audiences they are trying to reach.

These skills and knowledge have not only benefited the enterprise activity, but often the organisation as a whole. As one participant remarked, the EDP-funded marketing consultant not only supported their enterprise activity, “but also our organisation as a whole in terms of social media strategy”. The EDP has also provided access to a network of individuals who can continue to provide this kind of expertise beyond the lifetime of the programme.

Whilst participants have not yet scaled up their enterprise activity, the seed has been planted. The EDP set out to bring together a cohort of organisations who were truly enterprising and committed to developing their trading activity. The feedback from participants suggests that the recruitment process has been successful, and that the EDP has provided the support to grow their enterprise ambitions further, through strengthening foundational business practices and knowledge.

Financial impact

We know that a key motivation for EDP participants to engage with enterprise was the opportunity for greater financial sustainability. Not all participants had started to generate a profit by the end of the programme, and where they had, this was not necessarily a predictable or regular cash flow.

This was anticipated, with the acknowledgement from participants that their enterprise activity was expected to run at a loss in the first few years. Some participants also discussed the potential challenge of trading growing too quickly and not having the capacity to deliver. However, there were some noticeable impacts related to finances that support progress towards financial stability.

RAISING THEIR ORGANISATIONAL PROFILE

Participants described how enterprise activities were increasing their visibility online, in specific social settings, and within their geographic locations. Whilst income generation was important, the ability to “create exposure to who we are and what we do” was seen as very powerful, both as a means of increasing their social impact, but also in encouraging further income generation.

As one participant suggested, their enterprise model had the potential to attract different types of investment beyond trading income, for example through sponsorship. Raising their organisational profile also gave them the possibility to leverage existing relationships or partnerships, or engage with them further, for example through marketing to current corporate sponsors and donors.

APPEALING TO FUNDERS AND SOCIAL INVESTORS

In tandem with raising their profile, some participants noted the positive knock-on effect on their ability to generate income in other areas. As already noted, one organisation pursued social investment as a direct result of the progress achieved through the EDP. There is a sense that being able to formalise their offer, and present in a more commercial way, means that they are “taken a bit more seriously”, and this has opened up doors to further funding opportunities. One participant suggested that being able to demonstrate entrepreneurial skills in funding applications was also a positive, as it indicates to funders that they are interested in reducing their reliance on grant funding.

Social impact

The primary goal of all social enterprises is to have a social impact, and participants were motivated to increase the reach and improve the quality of their work with young people through their enterprise activity. Our ability to comment on the effectiveness of early-stage ventures in improving reach and quality is limited, in particular, because the enterprise activity is currently being enabled by grant-subsidy, and therefore the specific role of enterprise at this point is unclear because it is not fully developed. However – and already alluded to in the mission-centric nature of their enterprise activity – our discussions with participants demonstrate that enterprise activities gave participants opportunities to work with young people in ways that were likely to lead to social impact. In particular, participants identified areas of their enterprise activity that they considered would contribute to young people’s social and emotional learning and employability skills.

Social impact



SOCIAL AND EMOTIONAL LEARNING

Participants discussed the range of opportunities that they were creating for young people through their enterprise activity. In particular, several participants expressed that their enterprise was improving the quality of their overall provision through creating new avenues for young people to develop certain skills. These skills varied, but often related to:

- increased resilience, e.g., where young people have been involved in delivering the enterprise and this hasn't always gone to plan
- increased confidence, e.g., in engaging with new groups of people as customers
- responsibility, to take on and follow-through a commissioned piece of work
- emotion management, e.g., to constructively handle challenging situations in product development or customer relations



EMPLOYABILITY PATHWAYS AND SOCIAL MOBILITY FOR YOUNG PEOPLE

Several participants' also felt that their enterprise activities supported young people's employability and entrepreneurial skill development:

“[The social enterprise] provides young people with a pathway to use their skills, insights, and experiences to affect their own lives, as well, develop some skills around enterprise, and actually have a chance of taking these things forward [as a career].”

Participants often expressed the view that, considering the particular groups of young people they support, opportunities for them to get into employment were limited, and therefore, “training someone to be employable in the traditional sense might be setting them up to fail in this current climate”.

Social impact



EMPLOYABILITY PATHWAYS AND SOCIAL MOBILITY FOR YOUNG PEOPLE - CONTINUED

Supporting young people to have the confidence and skills to grow their own ideas was high on the agenda for participants trading in the retail and consultancy sectors. There was a belief that an enterprising approach was the way to help young people get a head start, and that it was a feasible way to help them improve their social and economic futures.

Participants were also amplifying (or looking to amplify) these opportunities. For example, they reported connecting their young people with other social enterprises, supporting them in finding work placements or offering work placements. For example, two participants had employed young people through the Kickstart Scheme, and others were looking into offering assessments or qualifications for their young people to formalise the skills they were gaining.

Support for social enterprise as a means of developing employability skills in young people is not new, with programmes like the National Careers Challenge providing students aged 11-15 with real life business challenges, and the British Council's Social Enterprise in Schools resource pack supporting teachers to deliver activities and lessons on social enterprise. There is a growing evidence base for the development of entrepreneurial skills in young people, to enhance their skills and behaviours relevant to a range of employment opportunities (Norton & Sear, 2022). Given this, there could be a real opportunity for the youth sector to support young people's social mobility through enterprise activity.

Please take a look at Section Three to learn more about the role of enterprise in elevating young people's voices, supporting underrepresented and underserved groups of young people, and increasing awareness and knowledge of inclusion.

Other sections

Head to another section and read more:



1. ENTERPRISE AND THE YOUTH SECTOR (FUNDERS-ORIENTED)

Here we'll cover the EDP participants' motivations for engaging with enterprise, barriers and enablers for enterprise development, and the type of supports required, including grant funding and creating a community centred around enterprise in the youth sector. We especially recommend reading this section for funders.



2. IMPACT OF ENTERPRISE ON ORGANISATIONS & YOUNG PEOPLE

It takes time for enterprise to have a significant impact on youth organisations and young people, but EDP participants did identify emerging impacts, both expected and unexpected. This section is separated into two parts: first the impact of enterprise on youth organisations, then on young people engaged in enterprise activity.



3. POTENTIAL RELATIONSHIP BETWEEN EQUITY AND ENTERPRISE

Whilst gathering data on social impact, we learned more about the role social enterprise can play in supporting equitable and empowering practices, with and for young people.



4. METHODOLOGY, EDP PROJECTS, AND THEORY OF CHANGE

If you want to learn more about our methodology and each EDP organisation, and their enterprise project, head to this section. You can also see the Theory of Change we've drafted from our research and will test in phase two of this research.